

VI INTERNATIONAL FISHING CONTROVERSIES AND AGREEMENTS

The fishing controversies of Japan which have been the subject of recent international negotiation are four: the long-term Russo-Japanese controversy, the Japanese-American Bering Sea salmon fishing controversy, the Japanese "boycott" of the international whaling conservation program and the Japanese abrogation of the 1911 Fur-Seal Convention. 97/ All of these will require post-war settlement and some will require the attention of Military Government officials in regulating the Japanese fisheries during the period of occupation.

The Russo-Japanese Fishing Controversy

For many decades the Japanese fishermen have had the continued use of waters along the Russian coasts of the Japan, Okhotsk and Bering Seas and have come to look upon this fishery as their own. 98/ In the late nineteenth century nationals of Japan were actively engaged in fishing in Russian waters and after the Russo-Japanese War Japan pushed the question of defining these fishery rights. The treaty of 1907 established the basis for the Japanese use of the fishery from that time to the present with but minor changes made in later years. This treaty recognized the rights of Japanese to fish along these Russian coasts except in rivers and inlets and provided for the establishment of fishery lots

97/ Japan has also had minor international difficulties involving diplomatic exchanges such as those caused by the operations of boats off the coast of Central America and in the waters off the Philippine Islands where Japanese craft have occasionally been seized on charges of poaching. 98/ The Japanese claim that the fishing in "the northern waters" is a right established over a period of two centuries.

for which the Japanese could bid on an equal footing with Russian subjects whenever they were offered to the general public. ^{99/} The Japanese were to suffer no discrimination in such matters as taxes, duties or regulations.

The fishery lots were bid for at annual auctions; the Japanese did not like this system which emphasized Russian sovereignty but they accepted it until 1919. Then they virtually seized the fishery lots, collected the lease rents themselves and continued fishing without a formal agreement. In 1924 a makeshift agreement reviving the 1907 order was reached and with the renewal of diplomatic relations in 1925 negotiations began for a new convention to work out the fishery problems. ^{1/} This was finally completed and signed in 1928. During the entire period from 1907 until 1928 the Japanese worked 80 percent or more of the lots.

The treaty of 1928 modified some of the provisions of 1907. Under the new articles, although auctioning of lots continued to be the general rule, lots could be leased by mutual agreement without public auction. It provided for leases varying from 1 to 5 years, except for lots attached to canneries which had ten year leases. Following this new convention the Soviets undertook a more vigorous exploitation of the fisheries and in the years following up to the present disputes have been numerous. ^{2/} Japan has consistently tried to maintain and enlarge

^{99/} The lessee of a lot is entitled to the use of the territorial water and certain area of land for shore establishments.

^{1/} After the Russian Revolution Japan withheld recognition of the Soviet Government. The Treaty of Peking (1925) re-established diplomatic relations between the two nations.

^{2/} Many of the disputes centered about changes in the exchange rate of the yen. Bickerings on this point occurred, for example, in 1930-31 and again in 1934-35.

its strong foothold while the Soviet Union has tried to throw off the obnoxious arrangement which grants the use of its fishery resources to another nation.

In 1932 the Hirota-Karakhan agreement allotted more grounds to the Russians and "stabilized" some 280 lots under Japanese control until 1936 without having to go through the auction process. ^{3/} In 1936 when the 1928 treaty expired negotiations to review the entire problem were to have been undertaken. A new treaty, however, was not concluded and in 1936 and again in 1937 a modus vivendi was reached extending the 1928 treaty and the 1932 agreement.

During 1938 a tense situation developed over the northern fisheries when the fishing vessels of each nation were interfered with in the waters of the other. When the Soviets announced that "the fishery agreement would not be automatically renewed, that cannery lots which expired in 1938 could not be renewed for another year, but that lots exempted in 1932 would again be placed on auction, with the exception of those lots to be held by the Soviets for strategic reasons," the Japanese threatened to send cruisers to protect their fishermen in Kamchatka waters. ^{4/}

A new agreement was finally reached in April 1939. The "stabilized" lots" were again offered for auction, but it was agreed that Japan could

^{3/} Although the exchange rate problem was discussed, no new settlement was reached on this point.

^{4/} Leonard, L. Larry, International Regulation of Fisheries, Washington, 1944.

have all of these for which her nationals bid. Twenty-seven of the other lots were withdrawn by the Soviets and lots which had been in operation for three years were leased for a five-year period. The exchange rate was to continue under the 1932 agreement as 32.5 sen per ruble. In all, Japan obtained control in 1939 of 359 fishing lots of which more than 260 of these were stabilized for five years. The Soviets had more than 400 lots in that year.

The status quo was preserved by an annual modus vivendi in the following four years -- 1940 through 1943. In 1944 the five year leases of lots auctioned under the arrangement of 1939 expired and on March 30, 1944 a new agreement was reached which extended Japanese fishing activities until December 31, 1948. This agreement did not contain any new basic features, being really an extension of the expired agreement. It provided, however, for a 30 percent increase in rents of lots over those of 1928 (a 20 percent increase over 1943 rents), raised rates for the operation of canneries, made certain changes in the prohibited areas and abolished certain limitations to which Soviet citizens were subject under the convention of 1928.

Japanese-American Salmon Fishing Controversy

One phase of Japan's intensive prosecution of the world's fisheries was the "invasion" of Alaskan salmon fisheries in 1936 - 1938. ^{5/} The resulting clash with American interests caused considerable discussion

^{5/} Japan's attempt to enter the Bristol Bay salmon fishery was part of its general fishery expansion. Canned salmon was largely an export product and the British market, which took the major part of Japanese export of this product, preferred red salmon for which Alaska's Bristol Bay is the world's main source of supply. Japan was largely dependent

and re-examination of the principles of international law as applied to fisheries, but in 1938 the Japanese vessels withdrew from the area and the fundamental issues were left unsettled.

The first indication that the Japanese were considering the possibility of Alaskan salmon for their fishing enterprises was in 1935 when the Japanese Diet appropriated money for a three-year scientific study of salmon in the Bering Sea area. In 1936 the first research vessel appeared in Bering Sea to study the routes of migration and the availability of salmon on the high seas. In the same year another vessel, a floating salmon cannery with six auxiliary tenders, licensed to operate in Siberian waters, appeared about a hundred miles southeast of the Pribilof Islands and a training vessel of the Imperial Fisheries Institute of Tokyo which annually cruised in this area was reported to have canned salmon as well as crab. ^{6/}

Before the opening of the 1937 fishing season Japanese fishing interests suggested the formation of a joint American-Japanese company to operate floating salmon canneries in Bristol Bay, but this proposal was declined by the Americans. In June 1937 when a fleet of Japanese

for its salmon on Soviet fishing concessions and expansion therein was limited. The new floating cannery technique made possible the catching and canning of salmon on the high seas, but such operations near Asiatic shores were limited by the interests of the shore canners and by increased Soviet operations.

^{6/} In 1930 Japanese fishermen began to work Bering Sea crab fisheries which had not been exploited by Americans. This industry, considered unprofitable by Americans, was operated about 20 miles north of the Alaskan Peninsula. Fearing interference with the valuable salmon fisheries the United States reached an informal understanding in 1931-32 whereby the Japanese agreed to abstain from catching salmon and the United States government agreed to refrain from encouraging an American crab industry. As long as the activities of Japanese vessels were confined to the taking of crabs American concern was not aroused.

vessels appeared in Bristol Bay, allegedly for crab fishing, the suspicions of American fishermen who feared an invasion of the salmon fisheries were aroused. When the United States Government telegraphed the Embassy at Tokyo it was informed that "no license had been issued for salmon fishing in Bering Sea, and Japanese vessels reported to be operating near Alaska are presumably engaged in crab fishing." Nevertheless during the summer it became clear that Japanese vessels did catch salmon and throughout the season feeling ran high in the fishing circles of Alaska. 7/

Throughout the fall fishing interests actively protested the Japanese operations and in November 1937 the State Department fully stated the case in a note to Japan. In March 1938 the State Department announced that the Japanese Government had given assurances that salmon fishing by Japanese in the Bristol Bay area would be curtailed, that the three-year salmon fishing survey would be discontinued and that the Japanese Government would "continue to suspend the issuance" of licenses for salmon fishing in Bristol Bay.

May 1938 brought wild excitement among the Pacific Coast fishermen when Japanese fishing boats appeared in Bristol Bay. 8/ Just prior to the

7/ Several fishing companies and union representatives chartered a plane which took pictures of Japanese vessels in the process of catching salmon. One vessel was reported with "20,000 freshly caught salmon" aboard.

8/ To fully understand and appreciate the American case in this Japanese "invasion" one must realize the importance of salmon to the Pacific Coast area and the long years of development and conservation of this resource by the American Government. Salmon constitutes the single largest economic resource of Alaska. Over a period of years the United States Government has spent large sums to conserve the salmon fisheries and by adherence to a policy of conservation, highly productive fisheries in perfect balance have been achieved. The fishermen of the Northwest who had felt the

salmon season, however, the Japanese boats withdrew.

Whaling Controversy

Recognizing that the unregulated killing of whales might lead to their extermination, several nations under the leadership of Norway and Great Britain, with the aid of the League of Nations, inaugurated measures for the conservation of this fishery resource. From about 1930 on conferences have been held and treaties and agreements signed in which measures have been adopted by a number of nations to restrict whaling in the Antarctic grounds. 9/ The ultimate success of such a conservation program depended upon the cooperation of all nations whose nationals frequent the whaling grounds. Since the Japanese had been plying the Antarctic grounds with increased intensity, it was essential

restraining hand of the government in their operations deeply resented the Japanese fishing which appeared to be without restriction and which would in a comparatively short time, if continued unchecked, nullify the conservation efforts.

9/ The agreements attempted to protect the whale stock without working disproportionate hardships on those nations largely dependent on land stations as against those dependent upon factory ships. Two species (right and grey) were given complete protection by prohibiting their slaughter; one (humpback) was protected by restricting the catch. Absolute closed seasons were established for some areas and flexible closed seasons for other areas. The taking of "calves or suckling whales or female whales which are accompanied by calves or suckling whales" is prohibited. For the blue, fin, humpback or sperm species, a size limit was fixed below which it is prohibited to take or kill them. Factory ships and land stations were required to make complete use of the carcass and to supply their government with detailed information on the type, size and condition of the whale caught and the amount of oil obtained. In order to decrease the size of the catch it was required that remuneration of employees on catcher ships be based on other than the number of whales killed.

that Japan become a member of the conservation program. 10/ Japan, however, remained aloof, preferring freedom from the restraints of international fishery agreements for its nationals whereas all other nations engaged in this fishery agreed to the program. 11/ In fact, Japanese fishermen took the opportunity which nationals of those states which were parties to the convention were restricted, to extend their operations. Although some progress was made in the conservation of whales, the program prior to the outbreak of the war in September 1939 fell short of achieving its aim due, in part, to Japan's failure to cooperate. 12/ This conflict of Japan with the conservation program of other nations for the protection of whales is one of the friction points awaiting post-war settlement. 13/

10/ Japan only became interested in Antarctic whaling in 1934-35, but had become one of the leading whaling countries by 1937 - 1938. By that year Japanese whalers in the Antarctic had increased threefold over 1935-36; Japan had 20 percent of the men engaged in whaling and took about 14 percent of the catch (see page 109-113).

11/ Though Japan sent a delegate to the London Whaling Conference of 1938 he did not sign the protocol nor did the Japanese adhere to the agreements established.

12/ According to Leonard, op. cit., other factors in the failure to achieve complete success were lack of adequate knowledge of the migrations and life history of whales and the refusal of nations to adopt measures which would curtail the profits of their nationals.

13/ During the early war period attempts were made by some of the whaling countries to continue conservation measures but as submarine and raider warfare made whaling expeditions hazardous and as many vessels had been destroyed, operations were greatly curtailed. In 1944 a conference of seven governments which met in London adopted a protocol restricting Antarctic whaling effective immediately upon the cessation of hostilities. Japan, of course, was not a party to this.

The Fur Seal Controversy

In 1911 by a multilateral agreement the United States, Great Britain, Russia and Japan agreed to protect the fur seals of the North Pacific. These animals establish rookeries on the Pribilof Islands of the United States, the Russian-owned Commander Islands and the Japanese-owned Kaihyoto Island (Robben or Seal Island) during the summer months but migrate into more southerly waters to winter grounds. Although there are no breeding grounds in British territory nationals of Canada had long been interested in pelagic sealing.

Under the terms of this convention pelagic sealing was forbidden in the Pacific area north of the 30th parallel including the Bering, Okhotsk and Japan Seas. The regulation of hunting on its islands was left to each government and the hides taken on these islands, or the revenue from them, was shared with the other nations. ^{14/} The conservation measures established by this convention rehabilitated the stock of fur seals in the North Pacific, as indicated by the Pribilof Island herd, the largest herd, which increased from 123,600 in 1911 to 2,338,312 in 1939. ^{15/}

^{14/} Both Great Britain and Japan were to receive \$200,000 each and 15 percent of the catch of the United States and of Russia. Japan was to deliver 10 percent of its catch to the United States, Russia and Great Britain and similarly, if any seals frequented the shores of waters under the jurisdiction of Great Britain, 10 percent of those seals were to be delivered to each of the other parties.

^{15/} The much smaller Japanese and Soviet herds are estimated at about 30,000 and 20,000 respectively. (Japan's Fisheries Industry, 1939 — Special issue of Japan Times and Mail, 1939).

In October 1940 Japan gave notice of its abrogation of the treaty and a year later the treaty was terminated. The Japanese Government claimed that valuable food fish were destroyed by the increased herd, thus detrimental to its fishing industry, and also indicated that Japan should have a larger share in the distribution of the seal catch. Whether the Japanese charges were more than a preliminary war move is not readily ascertainable for detailed scientific investigations to uphold or refute these claims were lacking.

In December 1942 the United States and Canada made an agreement which because of wartime shortages permitted the taking of fur seals on the high seas. With the war's end further international negotiations for fur seal regulation can be expected and Japan, sharing in this resource, should be a party to any convention.

VII WARTIME CONDITIONS OF THE INDUSTRY

The war has brought significant changes to all aspects of the fisheries industry. Since 1940 there have been increasing indications of reduced supply; the fishing companies have been reorganized to assure closer government control; and the distribution and consumption of fish have come under government regulation.

Decline in Supply

The supply of marine products during the war period is known to have decreased considerably, particularly during 1943, 1944 and 1945. Quantitative figures, however, can only be guesses made on the basis of meager information concerning, on the one hand, the reduction of fishing boats, personnel, equipment and gasoline and, on the other hand, reports of consumer shortages. On such a basis it is estimated that in 1943-44 the production was about 2,360,000 metric tons of fish all of which was available for consumption by the population of Japan proper and in 1944-45 1,650,000 metric tons. ^{16/} In more recent weeks when the Allied fleet was close to the shores of Japan proper and mines were laid in some of the bays, production undoubtedly dropped well below the levels indicated in the figures above.

The decline in production has been due primarily to the developing shortages of boats, manpower, fuel and equipment, but has also been

^{16/} Civil Affairs Guide -- Japan, Section 7: Agriculture, April 1944. A report "The Food Position of Japan," April 1945 prepared by Office of Strategic Services, gives 2,240,000 tons for the year 1943-44 and 1,750,000 tons for 1944-45. These estimates are based on Japanese statements regarding catch and the assumption that almost all fish is used for food.

related to the government pricing of food fish. Large and medium sized fishing vessels were commandeered by the armed forces; others were requisitioned for use in transporting materials not only in the coastal trade but also between Japan and Manchuria, Korea and Formosa and many of the small boats were transferred to China for use in landing operations. ^{17/} Military conscription, the removal of large numbers of fishermen for the operation of commercial boats and the shift of fishermen to other more lucrative war industries has resulted in a manpower shortage. Many of the fishing industries are functioning with older men, women and children; since 1942 women have increasingly replaced men in the fishing industry. All boats using Diesel oil or gasoline have been restricted because of fuel shortages; fuel for Diesel-powered fishing vessels began to be rationed in August 1941 whereas small gasoline boats were less severely restricted at this time but later suffered sizable reductions in fuel rations. Shortages of equipment, including nets, have been reported.

Fisheries in the outlying areas -- deep sea, northern waters and trawling -- were particularly curtailed because of these shortages. Production in the Soviet waters, for example, in 1942 was reported to be about half that of the prewar period and in 1943 only one salmon floating

^{17/} Reports indicate that the number of fishing boats even of the smaller sizes which were taken over by the government was considerable. According to a report of conditions in late 1943 about one-third of the 30 - 60 ton fishing boats had been commandeered for military or transport purposes. (Report from prisoner. Information Bulletin No. 21 (No. 2) of Southwest Pacific Area, July 5, 1944.)

cannery was operating in the Okhotsk Sea where normally eight were active. ^{18/} The production of coastal fisheries has also declined despite attempts to keep this production as high as possible. Although these fisheries which produce the bulk of the Japanese supply have suffered less, the shortages of boats, manpower and fuel have greatly reduced the total production. Added to this has been dissatisfaction with the prices established by the government and in recent months the fear of destruction by Allied naval and military operations, such as air attacks on fishing boats and mines laid in coastal waters. Aquiculture production has been encouraged by the government throughout the war years, but although no data are available it is unlikely that recent production has increased to any considerable extent because of manpower shortages.

The only data indicating actual supply conditions from the consumer end are a few isolated ones giving shipments and distribution of fish in the city of Tokyo for August 1944 and statements concerning rations. Table 68 indicates that on a particular day Tokyo received 234 tons of fish which were distributed among approximately 857,000 persons. This quantity of fish is less than one-third of the prewar average daily receipts for Tokyo and may possibly represent a larger than usual daily shipment. This isolated case would suggest a lower overall supply figure for Japan than given above, but undoubtedly conditions in Tokyo and other large cities are not typical of the

^{18/} It is reported that 25 fishing grounds are being operated in Soviet waters in 1945 (in 1939 more than 300).

TABLE 68

**Fish Brought into Tokyo on August 26, 1944 and Number of Persons
Receiving Fish Rations**

<u>Fish Brought In:</u>	<u>(tons)</u>
Fresh fish	117
Frozen fish	62
Clams	41
Whale meat	9
Processed articles	5
	<u>234</u>

<u>Distribution :</u>	<u>Number of persons receiving ration</u>
Whale meat	30,454
Baked fish cake	62,000
Clams	102,156
Dried herring	35,257
Dried small fish	93,150
Frozen "hokke" and scallops	49,399
Dried cuttlefish	81,258
Bonito	264,766
Flounder	<u>138,629</u>
Total	857,069

Source: I.D.C. Abstract, August 27, 1944.

country as a whole; in other areas, especially those near the sea coast, supplies of fish are thought to be considerably better.

The drastic cut indicated in the fish supply available for domestic consumption from about 3,000,000 metric tons in prewar years to 1,650,000 tons in 1944-45 can be expected to have seriously affected the Japanese diet. The prewar per capita consumption of about 65 pounds can be expected to have been reduced to about 40 pounds. 19/ This loss in protein supply is important even though it has been mitigated to some extent by soybean imports.

Although no data are available concerning the size of Japan's stockpile of fish and other marine products, the quantities of dried, salted, smoked and canned fish stored for emergency use are thought to be sizable for Japan has been accumulating food stockpiles over a period of several years. One estimate places the reserves of smoked and canned fish as between 25 and 50 percent of annual consumption. 20/

Wartime Distribution

Rationing of food in Japan began in 1940 on a local basis when several cities, finding themselves in short supply, attempted regulation. When such local rationing was first applied to marine products is not

19/ Although the total supply is estimated to have been reduced by almost half the per capita consumption for food is estimated as less because during the war there has been diversion of fish normally used for oil and fertilizer to food purposes and waste has undoubtedly been reduced

20/ "The Food Position of Japan," Office of Strategic Services, April 1945.

known, but in the latter half of 1941 there were local shortages and irregular supply of fish which led to various systems designed to achieve fairer distribution. For example, in August 1941 an ordinance was issued for Hyogo Prefecture outlining a plan for the distribution of fish 21/ and in February 1942 rationing of fish was instituted in Tokyo. 22/

Early in 1942 the Food Control Bill, which established the basis of wartime food control in Japan, provided for complete control of rice and other grains and the partial control of other foods, including marine foods. The purpose of this law was to: (1) strengthen the government control of food; (2) readjust the distribution of food; and, (3) to preserve and store food for emergency use. Although the structure for control set up under this law was national in scope and under the general supervision of the Bureau of Food Control of the Ministry of Agriculture and Commerce, the actual operation for marine products was by control associations established by prefectural governments. According to the announcement in February 1942, marine products were to be regulated in accordance with the following general plan: 23/

1. Prefectural governments were to establish control regulations through designated local control organizations which were in turn to give directions to those concerned with the selling and distribution of

21/ Japan Weekly Chronicle, Kobe, August 7, 1941.
22/ Report of returned repatriates.
23/ I.D.C. Abstract, March 1942.

marine products. Without special permission those dealing in marine products were not to be allowed "to produce or import products not designated by the local control organizations and the local government."

2. Prefectural governments were also to designate the kinds of marine products to be handled by shipping organizations of the prefecture.

3. The sale of marine products for business use or consumption must not take place outside the district markets except when special permission was given.

4. When necessary, local governments may issue orders concerning priority, quantity and method of distribution to retailers.

Under the controls established at this time there were more than 120 distribution points for fish shipments throughout Japan but the distribution to consumers was mainly centered on seven consumption regions -- the six large cities -- Tokyo, Osaka, Yokohama, Kyoto, Kobe and Nagoya -- and Southern Kyushu. Elsewhere counties (guns) were designated as consuming districts.

The fragmentary reports from Japan do not state whether all marine products came under this control, but salted and dried fish are mentioned as the most important items under control. It is considered likely that in areas of short supply all marine products were placed under regulations whereas in other areas some marine products were not controlled.

Later eleven "designated consuming cities" for fresh fish and vegetables were named -- Tokyo, Yokohama, Nagoya, Kyoto, Osaka, Kobe, Hiroshima, Kure, Shimonoseki, Northern Kyushu and Sasebo. For distribution

to these designated areas shipping plans on the kinds and monthly quotas were made up by the Central Agricultural Association (Chuo Nogyo Kai), approved by the Ministry of Agriculture and Commerce, and notifications were sent by this central association to the local associations. After August 1944, however, the Ministry of Agriculture and Commerce directly notified local government of their producing and shipping plans and made local government authorities responsible for shipping quantities of fresh fish to the consuming areas "taking into consideration local consumption and raw materials for processing."

Since the rationing control of fish is local rather than nationwide, the per capita allowances may vary considerably from area to area. Within any area the per capita ration is also not a fixed quantity for fish is distributed at irregular intervals depending upon the supply. 24/ For each distribution special ration stamps are probably validated which can be used to obtain only the specific ration in question. The actual method of distribution from retailer to consumer varies; it is reported, for example, that several methods were used in Tokyo. 25/

Table 69 names the agencies for the control of fish distribution in several of the large cities as reported in May and June 1944. The distribution units in the six large cities as of April 1944 are reported in Table 70.

24/ In Tokyo in late 1943 fish was reported to be allocated about every three or four days.

25/ Reports from returned repatriates indicate two different ways of handling the distribution of fish to consumers in Tokyo during the last part of 1943. In one district the fish dealer gave each of his customers a number and by posting the number of those he could provide on a sign in his shop he supplied his customers in turn. In another section of the city, however, "fish day" was announced a day in advance and a long line formed with the policy of "first come, first served."

TABLE 69

Control Agencies for the Distribution of Fish as Reported
in 1944Reported in May 1944:

Osaka: Kyoto-Osaka-Kobe Fish Distribution Company (Shigeta, Chief Economics Department); Sea Products Company (Otsubo, Chief of Police Department); Fish Retailers Association (Sakama, Mayor); Sea Products Enterprise Association (Chief of Commercial Economic Association of Kanto Urban Prefecture); Central Sea Products Enterprise Association; Empire Sea Products Control Company, and Osaka City.

Kyoto: Kyoto-Osaka-Kobe Fish Distribution Company (Tanaka, Chief of Economics Department); Sea Products Company (Miyada, Chief of Police Department); Fish Retailers Association (Sunohara, Mayor); Sea Products Association (Takegami---, Chief of Commercial Economic Association); Empire Sea Products Control Company, and Kyoto City.

Kobe: Kyoto-Osaka-Kobe Fish Distribution Company (Saito, Chief Economics Department); Sea Products Company (Tatsuno, Chief of Police Department); Fresh Fish and Clams Retailers Association (Noda, Mayor); Sea Products Enterprise Association (Kikuchi, Chief of Commercial Economic Association); Empire Sea Products Control Company, and Kobe City.

Reported in June 1944:

<u>Name</u>	<u>Address</u>
Yokohama Fresh, Salt and Dried Fish Corporation (Yokohama Namauo Shio Hoshi Kabushiki Kaisha)	Yokohama City, Kanagawa-ku, Yamauchi-cho 3-chome 1
Central Marine Products Corporation, Kawasaki Fish Market (Chuo Suisan Kabushiki Kaisha, Kawasaki Uo Ichiba)	Kawasaki City, Ikeda-cho 140
Yokohama Marine Products Establishing Association (Yokohama Suisanbutsu Shisetsu Kumiai)	Yokohama City, Kanagawa-ku, Yamauchi-cho, 3-chome 1
Yokohama Fishery Enterprise Association (Yokohama Uosho Gyo Kumiai)	Yokohama City, Kanagawa-ku, Yamauchi-cho, 3-chome 1

TABLE 69 (Continued)

Control Agencies for the Distribution of Fish as Reported in 1944

<u>Name</u>	<u>Address</u>
Kawasaki Fishery Enterprise Association (Kawasaki Uoshogyo Kumiai)	Kawasaki City, Horikawa-cho, 19
Kanagawa Prefecture Marine Products Industry Association (Kanagawa Ken Suisan Gyo Kai)	Yokohama City, Masago-cho 1-chome 2
Central Marine Products Enterprise Association (Chuo Suisangyo Kai)	Tokyo City, Shiba-ku, Kaigan-dori 1-chome 20
Imperial Marine Products Control Corporation (Teikoku Suisan Tosei Kabushiki Kaisha)	Tokyo City, Kyobashi-ku, Nada-machi 3 chome 8
Imperial Marine Products Control Corporation (Teikoku Suisan Tosei Kabushiki Kaisha)	Yokohama City, Naka-ku, Minatomachi, 1-chome 1
Imperial Marine Products Control Corporation (Teikoku Suisan Tosei Kabushiki Kaisha)	Kawasaki City, Sunago - 1-chome

Source: I.D.C. Abstracts.

TABLE 70

Status of Rationing of Sea Food in the Large Cities As of April 1944

<u>Tokyo.</u>	The method of distribution is "free registration" according to units of neighborhood associations. Among the 48 branches, 7 are under combined operation and the rest under a combined selling system.
<u>Osaka.</u>	Fish distribution is handled with street associations as units.
<u>Yokohama.</u>	District distribution system is applied, with combined selling and combined handling.
<u>Kyoto.</u>	"Free registration" system with neighborhood units is applied. A change from the individual operation to combined selling system is being considered.
<u>Kobe.</u>	District distribution system is employed. Selling is not combined, but transportation fees are computed under a combined system.
<u>Nagoya.</u>	District distribution system is employed. Combined selling system and individual operation are both practiced.

Source: I.D.C. Abstracts, April 1944.

Note: As the above indicates several systems were in use in the large cities for the distribution of marine foods at this time. According to one source the government food control corporation (Foodstuffs Control Corporation) distributed through neighborhood associations while private control associations operated through regular wholesale and retail outlets. In general, in the large cities the local distribution of rationed foods to the consumer was through neighborhood associations (tonari gumi). Neighborhood associations are the smallest of many bodies and organizations by which life in Japan is regulated. Each neighborhood association is composed of 10 families presided over by a neighborhood group head.

Also indicated above is the fact that much of the selling and transportation of marine foods was done by "combined operations," presumably under close government supervision.

Despite the control of food distribution, illegal operations are widespread, and it is reported that most people who have the means and the opportunity supplement their rations by buying in the black market. Fish enters into the black market in considerable amounts; undoubtedly fishermen have been withholding their catch in sufficient quantities to give or sell to their friends. Underlying the large diversion of marine products is the basic difficulty of policing a large number of small-scale fishermen.

Distribution has been a major problem not only because of control difficulties but also because transportation services have been irregular. The regular fish trains which served the large cities in prewar years were discontinued at least much of the time.

Wartime Price Control

In August 1940 a cabinet ordinance provided for several price controls for perishable food including fish and shellfish. Wholesale and retail prices under this ordinance were fixed by the prefectural governments with the advice of a price fixing committee, the whole system being administered by the Ministry of Agriculture and Commerce. The prices of all fish except the poorer varieties were controlled. When these prices were set they were reduced below the free market price prevailing at the time and only minor revisions have been made up to April 1943. Because the prices of most fish were held down by the government, some of the poorer varieties which were not under control became more abundant in the markets and sold at relatively high prices. One of the complaints

of the fishermen throughout price control has been that the government prices were too low to make fishing operations pay. In the summer of 1944 when the flow of food to the large cities was especially poor an attempt was made to increase food shipments by authorizing the food control agencies to pay prices high enough to cover the transportation costs. ^{26/} In August 1944 it was reported that official ceiling prices of fish were increased 20 - 27 percent.

Details of fish prices during the war period are lacking except for the two following items:

1. A prisoner of war who formerly worked in a fish market in Tobata reports the retail prices listed in Table 71 as prevailing during the period May 1942 to April 1943 and states that prices paid by the store to wholesale dealers were about 20 percent less than these retail prices.

2. In June 1944 the Ministry of Agriculture and Commerce by which fish prices are controlled announced maximum selling prices for ground dried fish as given in Table 72.

Wartime Reorganization of the Industry

Administrative Reorganization. During the war changes in the administrative organization affecting fisheries were numerous but full details of most changes are lacking. In October and November 1943 parts

^{26/} "Wartime Distribution of Food in Japan," Office of Strategic Services, March 1945.

TABLE 71

Retail Fish Prices in a Tobata Store, May 1942 - April 1943

<u>Fish</u>	<u>Size of Fish</u> (feet)	<u>Usual Weight</u> (momme)	<u>Price per 100 momme</u> (sen)
saba	1	70 - 80	19
iwashi	$\frac{1}{2}$	15	9
aji	1	70 - 80	27
tai	$1\frac{1}{2}$	500	142
tuna	sold in pieces	-	105
buri	3	2,000	34
sawara	3	1,500	81
hirasu	$2\frac{1}{2}$	1,200	34
akabana	$2\frac{1}{2}$	1,200	67
tachi	2	150	19
fuka	4	7,000 - 8,000	30 - 40
neko	$2\frac{1}{2}$	1,000	20 - 30

Note: Normally the first types would be sold in largest quantities, but as these were only procurable in small amounts, it was necessary to fall back on other varieties some of poorer quality. Fuka and neko, poorer fish for which prices were not fixed at this time, constituted a major part of the business during the period indicated.

TABLE 72

Official Maximum Selling Prices for Ground Dried Fish,
June 1944

<u>Type of Fish</u>	<u>Price for Pro-</u> <u>ducers</u> (per 10 kan)	<u>Prices for Marine</u> <u>Industrial Assns.</u> (per 10 kan)	<u>Prices for</u> <u>Wholesalers</u> (per 10 kan)	<u>Prices for</u> <u>Retailers</u> (per 10 momme)
Ground dried bonito	¥ 139.73	¥ 145.32	¥ 149.68	¥ 1.65
Ground dried sardine (A grade)	68.14	72.22	75.83	0.87
Ground dried sardine	39.23	42.25	43.73	0.52
Rough ground fish powder	41.60	44.51	46.73	0.54

Source: I.D.C. Abstract, June 1944.

1 kan equals 3.75 kilograms.

1 momme equals 3.75 grammes.

of the Ministry of Agriculture and Forestry merged with parts of the Ministry of Commerce and Industry to form a new Ministry of Agriculture and Commerce (Nōshōshō). In this governmental re-shuffle the Fisheries Bureau seems to have been taken over intact by the new ministry.

Several wartime bureaus established under the Ministry of Agriculture and Commerce have had, either simultaneously or successively, some concern with fish production, distribution or pricing. Among these were: Bureau of Food Control (Shokuryo Kauri-kyoku), Commodity Price Bureau (Bukka kyoku), Livelihood Commodity Bureau, Resources Bureau (Shizai kyoku) and Recruitment Bureau (Yoin-kyoku).

Reorganization of Companies and Other Organizations. All phases of the fishing industry were subject to close government control prior to the war but since 1942 several reorganizations have brought still closer control. In late 1942 and early 1943 the deep-sea fishing industry was reorganized so that only one big enterprise operated in these fisheries -- the Imperial Fishing Control Company (Teikoku Suisan Tosei Kaisha). This company, formed with a capital raised by the leading fishery companies, lets out boats and gear to four branch companies, operates cold storage plants and grants necessary credits to the branch companies. The branch companies -- the Northern Pacific Fishing Control Company, the Japan-Soviet Fishing Control Company, the Japanese Pelagic Fishing Company and the Western Pacific Fishing Control Company -- were

formed by the merger and realignment of existing companies. ^{27/} The new Northern Pacific Fishing Control Company and the Japan-Soviet Fishing Control Company were both largely financed by the Nichiro Fishery Company and the Japanese Pelagic Fishing Control Company was largely financed by Japan Marine Products Company.

Although drag net fishing by small boats, tuna and bonito fishing and coastal fishing did not come under this reorganization, in 1943 it was reported that these were all to be reorganized under "a central fishing federation." Information as to the way in which the various societies and federations related to fishing were reorganized is not available, but it is clear that all their activities were harnessed tightly into the government control. Thus production, distribution and pricing were all government controlled.

^{27/} The relation of these branch companies to such parent combines as Mitsubishi and Mitsui is not known. For discussion of prewar companies and their relations to large industrial combines see Section V.

APPENDIX A

DETAILS OF CANNED SALMON AND CANNED CRAB PRODUCTION

APPENDIX A

DETAILS OF CANNED SALMON AND CANNED CRAB PRODUCTION

Tables 1 and 2 give the output of Japanese salmon canneries by districts for 1936; the total of these two tables represents the entire Japanese pack of 2,292,893 cases.

Tables 3 and 4 summarize Japanese production of canned salmon and canned crab respectively over a period of years.

TABLE 1

Japanese Canned Salmon Pack in Russian Area,
1936 a/

<u>Region</u>	<u>Approximate Cannery Location</u>	<u>Japanese Output (cases)</u>
<u>Eastern Kamchatka</u>	Olyutorka	9,212
	Tamlat	7,884
	Pankara	21,911
	Uka	14,532
	Ust-Kamchatka	198,842
<u>Western Kamchatka</u>	Ozernaya	40,908
	Yavina	80,749
	Koshegochek	53,655
	Opala	72,075
	Bolsheretzka	145,134
	Utka	59,295
	Pinta	43,276
	Kakhta	107,574
	Vorovskaya	106,908
	Kompakova	45,725
	Krutogorov	29,761
	Oblukovina	14,744
	Icha	15,684
	Sopochinaya	15,287
Utkoroka	814	
Palana	261	
<u>Okhotsk</u>		10,566
		<u>1,094,797</u>

Source: "The Fishing Industry of Japan," Office of Strategic Services report, June 1942.

a/ In addition to the Japanese pack, the Russians packed 595,044 cases from their canneries in this area.

TABLE 2

Japanese Canned Salmon Pack of Japan Proper, Karafuto, the Kuriles
and Floating Canneries, 1936

<u>District</u>	<u>Name</u>	<u>Number of Can- neries Operated</u>	<u>Grand Total (Full Cases)</u>
TOOHOKU	Inai Zenhachi & Co.	1	1,850
	Chiba Kanzume	1	7,526
	Wakai Kanzume	1	22,776
	Wakai Zenzo	1	96
	Daito Shokuhin	1	45,127
	Neichi Kanejiro	1	29,841
	Uhara Genshiro	1	327
	Kubo & Co.	1	2,002
	Yamaji Masaichi	1	1,198
	Maru (S) Suisan	1	4,020
	Sakagami Tatsuzo	1	21,402
	Mikami & Co.	1	8,379
	Shimogoori Kanzo	1	388
	Mori Shin Kanzume	1	697
	Suzuriki Kanzume	1	15,157
	Habuchi	1 *	505
	Maguro Kanzume	1	1,380
	Sasaki Eiichi	1	346
	Takahashi Kanzume	1 *	
	Total Toohoku		18
HOKKAIDO	Iwasa Tatsuo	1	120
	Izumi Katsuhei	1	870
	Inai Kanzume	1	1,534
	Hakodate Kanzume	1	501
	Hokuch Sangyo	1	2,451
	Hokkaido Gyogyo Kanzume	1	--
	Wakai Zenzo	1	31,954
	Yoshida Toshinori	1	373
	Tanaka Kichiji	1	167
	Daido Suisan	1	58,977
	Takagi Yoshimatsu	1	757
	Hokkai Suisan	(a) 1	232
	Usui Gomei	1	355
	Kushiro Kanzume	1	608
	Yamazaki Kumataro	1	1,198

* New Canneries

TABLE 2 (Continued)

Japanese Canned Salmon Pack of Japan Proper, Karafuto, the
Kuriles and Floating Canneries, 1936

<u>District</u>	<u>Name</u>	<u>Number of Can- neries Operated</u>	<u>Grand Total (Full Cases)</u>
	Yamamoto Kuninosuke	1	768
	Matsuda Kanzume	1	2,056
	Kyokuto Kanzume	1	1,116
	Kitanihon Kanzume	1	129
	Taiheiyo Godo	1 *	1,436
	Hokuyo Kanzume	1 *	816
	Miyagi Gyogyo	1 *	14,878
	Kokko Kanzume	1 *	670
	Neichi Kanejiro	1 *	5,480
Total Hokkaido		24	127,446
KARAFUTO	Kato Kanzume	1	2,016
	Karafuto Sangyo	1	137
	Karafuto Kyodo	2	8,573
	Karafuto Gyogyo Kanzume	1	3,895
	Kondō Kanzume	1	1,500
	Akasaka Ichisaburo	1	20
	Karafuto Suisan Kogyo	(b) 1	2,327
	Katagawa & Co.	1 *	578
Total Karafuto		9	19,046
ETROFU	Toho Suisan	1	11,044
	Usui Gomei	1	3,980
	Etrofu Suisan	1	23,839
	Suhara Gyogyo	3	37,502
	Higashi Etrofu Gyogyo	(c) 1	973
Total Etrofu		7	77,338
KITA-CHISHIMA (Kuriles)	Hakama Shinichiro	1	32,360
	Hayashikane & Co.	1	60,212
	Horomushiro Suisan	1	131,747
	Hokkaido Gyogyo Kanzume	1	77,962

* New Canneries

TABLE 2 (Continued)

Japanese Canned Salmon Pack of Japan Proper, Karafuto, the Kuriles and Floating Canneries, 1936

<u>District</u>	<u>Name</u>	<u>Number of Can- neries Operated</u>	<u>Grand Total (Full Cases)</u>
	Toho Suisan	1	14,579
	Chishima Gyogyo	1	14,711
	Taiheiyo Gyogyo (Kataoka-wan)	1	58,200
	Fujino Kanzume	2	57,321
	Kita-Chishima Godo Gyogyo	1	47,640
	Kita-Chishima Gyogyo Unso	<u>1</u>	<u>34,977</u>
Total Kita- Chishima		11	529,709
FLOATING CANNERIES	Taiheiyo Gyogo	3	281,540
	GRAND TOTAL	72	1,198,096

Source: "The Fishing Industry of Japan," Office of Strategic Services report, June 1942.

TABLE 3

Japanese Canned Salmon Pack, 1930 - 1940
(Cases of 48 pounds)

	Packed in Japanese Territory					Packed by Floating Canneries					Japanese Interests in Kamchatka ^{c/}					Total Pack of Japanese Interests						
	Reds	Pinks	Chum	Silvers	Kings	Total	Reds	Pinks	Chum	Silvers	Kings	Total	Reds	Pinks	Chum	Silvers	Kings	Total	Reds	Pinks	Chum	Silvers
1930	10,743	339,291	125	--	--	350,155	13,600	28,345	1,500	--	260	43,705	552,581	542,873	11,658	88,858	--	1,195,970	576,924	910,509	13,263	88,858
1931	4,055	391,721	--	16	--	395,792	33,267	2,130	22,035	4,236	810	62,478	462,005	184,942	1,050	47,910	5,177	701,084	499,327	578,793	23,085	52,162
1932	26,489	150,682	--	--	--	177,171	59,296	6,669	3,333	178	604	70,030	414,294	712,069	--	30,332	6,783	1,163,478	500,079	869,420	3,333	30,333
1933	105,403	497,906	14,370	5,077	--	622,756	91,383	51,908	6,296	462	119	150,168	286,815	357,593	22	24,095	2,518	671,043	483,601	907,407	20,688	29,344
1934	267,748	315,930	9,517	25,909	815	619,919	239,876	17,253	8,839	6,350	333	272,651	503,428	837,306	19,054	26,633	2,500	1,388,921	1,011,052	1,170,489	37,410	58,892
1935	74,733	1,009,942	19,160	49,449	491	1,153,775	138,156	165,558	--	9,669	594	313,977	188,304	679,472	--	41,222	7,862	916,860	401,193	1,854,972	19,160	100,844
1936	234,090	526,694	9,285	14,543	1,944	916,556	223,472	31,651	--	26,124	293	281,540	338,985	638,935	1,314	106,307	9,256	1,094,797	796,547	1,197,280	10,599	276,874
1937	327,143	557,142	850	80,294	1,241	966,670	340,550	14,669	--	12,928	355	368,502	337,271	735,053	--	8	1,300	1,073,632	1,004,964	1,306,864	850	73,890
1938	363,843	338,689	48	75,587	778	798,945	279,532	24,372	--	10,269	397	314,570	440,015	729,530	--	26,698	2,290	1,198,533	1,083,390	1,112,591	48	112,884
1939	230,184	457,005	57	37,551	129	724,926	352,012	20,805	--	5,950	187	378,954	280,299	826,360	20	17,025	625	1,124,329	862,495	1,304,170	77	60,822
1940 ^{a/}	--	--	--	--	--	506,910	--	--	--	--	--	302,632	--	--	--	--	--	973,539 ^{a/}	616,978 ^{a/}	1,079,546	--	86,857

Source: Pacific Fishery Yearbook, 1941.

a/ No statistics for 1940 available direct from Japanese sources. The figures shown, which do not indicate the details of pack in various districts, were obtained indirectly but are believed to be fairly accurate. According to consular report dated April 24, 1941, the total figure given here does not include output of Hokkaido and Etorofu. If these are included the 1940 pack was about 1,925,000 cases.

b/ The 1937 and 1939 pack figures given here are slightly different from those in Table 46 (page 131).

c/ The entire Japanese output of Kamchatka is normally packed in recent years by Nichiro Gyogyo K. K.

TABLE 3

Japanese Canned Salmon Pack, 1930 - 1940
(Cases of 48 pounds)

Japanese Territory	Packed by Floating Canneries				Japanese Interests in Kamchatka ^{c/}					Total Pack of Japanese Interests												
	Chum	Silvers	Kings	Total	Reds	Pinks	Chum	Silvers	Kings	Total	Reds	Pinks	Chum	Silvers	Kings	Total						
					260	43,705	552,581	542,373	11,658	88,858		1,195,970	576,924	910,509	13,263	88,858	260	1,589,834				
125	--	--	350,157	13,600	28,345	1,500	--	810	62,478	462,005	184,942	1,050	47,910	5,177	701,084	499,327	578,793	23,085	52,162	5,987	1,159,354	
--	16	--	395,792	33,267	2,130	22,035	4,236	604	70,030	414,294	712,069	--	30,332	6,783	1,163,478	500,079	869,420	3,333	30,510	7,387	1,410,729	
--	--	--	177,171	59,296	6,669	3,333	178	604	70,030	414,294	712,069	--	24,095	2,518	671,043	483,601	907,407	20,688	29,634	2,637	1,443,967	
14,370	5,077	--	622,756	91,383	51,908	6,296	462	119	150,168	286,815	357,593	22	26,633	2,500	1,388,921	1,011,052	1,170,489	37,410	58,892	3,648	2,281,491	
9,517	25,909	815	619,919	239,876	17,253	8,839	6,350	333	272,651	503,428	837,306	19,054	41,222	7,862	916,860	401,193	1,854,972	19,160	100,340	8,947	2,384,612	
19,160	49,449	491	1,153,775	138,156	165,558	--	9,669	594	313,977	188,304	679,472	--	1,314	106,307	9,256	1,094,797	796,547	1,197,230	10,599	276,974	11,493	2,292,893
9,285	14,543	1,944	916,556	223,472	31,651	--	26,124	293	281,540	338,985	638,935	--	8	1,300	1,073,632	1,004,964	1,306,864	850	93,230	2,896	2,408,804	
850	80,294	1,241	966,670	340,550	14,669	--	12,928	355	368,502	337,271	735,053	--	26,698	2,290	1,198,533	1,083,390	1,112,591	48	112,554	3,465	2,312,048	
48	75,587	778	798,945	279,532	24,372	--	10,269	397	314,570	440,015	729,530	--	20	17,025	625	1,124,329	862,495	1,304,170	77	60,526	941	2,228,209
57	37,551	129	724,926	352,012	20,805	--	5,950	187	378,954	280,299	826,360	--	--	--	973,539 ^{a/}	616,978 ^{a/}	1,079,546	--	86,557 ^{a/}	--	1,783,081	
--	--	--	506,910	--	--	--	--	--	302,632	--	--	--	--	--	--	--	--	--	--	--	--	--

in Yearbook, 1941.

40 available direct from Japanese sources. The figures shown, which do not indicate the details of pack in various districts, were obtained indirectly fairly accurate. According to consular report dated April 24, 1941, the total figure given here does not include output of Hokkaido and Etorofu. If 1940 pack was about 1,925,000 cases. Pack figures given here are slightly different from those in Table 46. (page 131). Output of Kamchatka is normally packed in recent years by Nichiro Gyogyo K. K.

TABLE 4

Japanese Canned King Crabmeat Pack by Districts, 1930 - 1939
(Cases of 48 Pounds)

	<u>Rishiri</u>	<u>Kitami</u>	<u>Nemuro and South Tsima</u>	<u>North Tsima</u>	<u>Karafuto</u>	<u>Japan Prop- er and Korea</u>	<u>Kushiro</u>	<u>Kamchatka, North Sea Fisheries</u>	<u>Floating Canneries</u>
1930	--	7,000	24,269	8,800	63,491	1,200	--	73,150	407,542
1931	--	11,872	27,395	8,503	57,112	2,000	--	64,133	240,207
1932	--	21,000	20,400	--	27,200	1,000	--	47,353	180,340
1933	5,647	44,074	49,494	5,614	30,762	725	9,925	24,769	153,696
1934	8,462	51,533	92,561	8,511	45,328	882	37,485	29,155	171,012
1935	859	25,511	93,840	19,005	42,982	2,556	35,581	35,857	172,744
1936	453	13,128	53,162	36,531	19,169	252	25,491	47,089	185,506
1937	--	12,126	52,670	58,248	28,833	124	24,190	80,119	210,728
1938	--	31,425	44,597	59,453	42,780	12	15,275	83,179	264,956
1939	--	29,228	33,351	75,970	62,300	--	--	77,580	214,299

Source: Pacific Fisherman Yearbook, 1940

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TABLE 4

Japanese Canned King Crabmeat Pack by Districts, 1930 - 1939
(Cases of 48 Pounds)

<u>Rishiri</u>	<u>Kitami</u>	<u>Nemuro and South Tisima</u>	<u>North Tisima</u>	<u>Karafuto</u>	<u>Japan Prop- er and Korea</u>	<u>Kushiro</u>	<u>Kamchatka, North Sea Fisheries</u>	<u>Floating Canneries</u>	<u>Total</u>
--	7,000	24,269	8,800	63,491	1,200	--	73,150	407,542	585,452
--	11,872	27,395	8,503	57,112	2,000	--	64,133	240,207	411,222
--	21,000	20,400	--	27,200	1,000	--	47,353	180,340	297,353
5,647	44,074	49,494	5,614	30,762	725	9,925	24,769	153,696	324,706
8,462	51,533	92,561	8,511	45,328	882	37,485	29,155	171,012	444,929
859	25,511	93,840	19,005	42,982	2,556	35,581	35,857	172,744	428,935
453	13,128	53,162	36,531	19,169	252	25,491	47,089	185,506	380,783
--	12,126	52,670	58,248	28,833	124	24,190	80,119	210,728	467,038
--	31,425	44,597	59,453	42,780	12	15,275	83,179	264,956	551,677
--	29,228	33,351	75,970	62,300	--	--	77,580	214,299	492,728

Pacific Fisherman Yearbook, 1940

APPENDIX B

JAPANESE TRADE STATISTICS FOR FISH AND FISHERY PRODUCTS

APPENDIX B

JAPANESE TRADE STATISTICS FOR FISH AND FISHERY PRODUCTS

These tables from the recent U. S. Tariff Commission report, "Japanese Trade Studies — Special Industry Analysis No. 27 — Marine Products" provide the statistics cited in the section on foreign trade.

TABLE 1

Exports of Marine Products from Japan to All Areas,
in Specified Years, 1928 to 1938 ^{a/}

Item	1928	Quantity (100 kin)		
		1932	1936	1938
Formosa:				
Fish, shellfish, molluscs, and other aquatic products	b/	b/	b/	b/
Korea:				
Fish:				
Dried	86,196	118,322	147,399	102,258
Salted	72,686	44,918	132,059	201,347
Other	26,630	39,344	112,586	117,262
Seaweed, including tangles	<u>22,076</u>	<u>15,267</u>	<u>22,560</u>	<u>44,489</u>
Total Korea	207,588	217,851	464,604	465,356
Other countries:				
Fish and shellfish:				
Fresh or frozen ^{c/}	66,420	70,233	180,978	280,435
Canned:				
Fish	54,755	319,435	1,220,237	1,523,000
Shellfish	239,836	147,633	204,550	187,619
Dried or boiled and dried	281,106	115,433	273,933	146,233
Salted	76,003	39,867	251,208	278,719
Other marine products:				
Meal, fish	d/	d/	1,124,739	675,050
Seaweed (isinglass, laver, tangles)	466,523	646,590	605,187	432,377
Shells and coral	<u>236</u>	<u>97</u>	<u>129</u>	<u>19,145</u>
Total other countries	1,184,879	1,339,288	3,860,961	3,542,578
Value (1,000 yen)				
Formosa:				
Fish, shellfish, molluscs, and other aquatic products	9,292	6,934	8,730	9,305
Korea:				
Fish:				
Dried	1,554	1,528	2,722	2,395
Salted	817	330	1,326	2,102
Other	868	835	1,987	3,294
Seaweed, including tangles	<u>387</u>	<u>351</u>	<u>549</u>	<u>951</u>
Total Korea	3,626	3,044	6,584	8,742

TABLE 1 (Continued)

Exports of Marine Products from Japan to All Areas,
in Specified Years, 1928 to 1938 ^{a/}

<u>Item</u>	<u>1928</u>	<u>1932</u>	<u>1936</u>	<u>1938</u>
	<u>Value (1,000 yen)</u>			
<u>Other countries:</u>				
Fish and shellfish:				
Fresh or frozen ^{c/}	1,889	1,396	3,776	6,697
Canned:				
Fish	1,536	8,749	41,430	54,514
Shellfish	18,573	10,750	18,326	17,086
Dried or boiled and dried	11,643	3,724	12,040	8,456
Salted	712	386	2,573	3,332
Other marine products:				
Meal, fish	^{d/}	^{d/}	7,434	5,182
Seaweed (isinglass, laver, tangles)	7,262	5,408	9,723	9,630
Shells and coral	218	68	217	1,586
Total other countries	41,833	30,481	95,519	106,483
Grand total	54,751	40,459	110,833	124,530

1 kin equals .6 kilogram or 1.32 pounds.

^{a/} Does not include fish oils (including whale). Also excluded are canned fish and shellfish exported directly from the Kamchatkan fisheries operated by Japan and not reported in official statistics.

^{b/} Value only given.

^{c/} Excludes goldfish and fish livers, which in 1939 were valued at 10,000 yen and 6,047,000 yen, respectively.

^{d/} Not separately reported.

TABLE 2

Exports of Canned Salmon and Trout from Japan to Principal Markets, in Specified Years, 1928 to 1938 a/

Country of destination	1928		1932		1936		1938	
	100 kin	1,000 yen	100 kin	1,000 yen	100 kin	1,000 yen	100 kin	1,000 yen
Belgium	2,996	70	26,351	506	38,399	927	36,758	
France	4,459	114	92,798	1,759	54,114	1,653	45,584	1.
Netherlands	621	18	5,569	107	21,685	590	24,482	
United Kingdom	20,509	571	54,822	2,109	353,535	21,853	578,417	30.
Manchuria	<u>b/</u>	<u>b/</u>	96	1	875	16	14,911	
Australia	1,351	38	553	24	11,794	476	31,846	1.
Other countries	11,052	287	28,883	533	54,685	1,423	123,116	2.
Total	40,988	1,098	208,672	5,039	535,087	26,938	855,114	38.

1 kin equals .6 kilogram or 1.32 pounds

a/ Does not include exports of the Japanese fishery operating in Kamchatka.
b/ Not available.

TABLE 2

Exports of Canned Salmon and Trout from Japan to Principal Markets, in Specified Years, 1928 to 1938 a/

Country of Destination	1928		1932		1936		1938	
	100 kin	1,000 yen	100 kin	1,000 yen	100 kin	1,000 yen	100 kin	1,000 yen
Belgium	2,996	70	26,351	506	38,399	927	36,758	909
France	4,459	114	92,798	1,759	54,114	1,653	45,584	1,544
Netherlands	621	18	5,569	107	21,685	590	24,482	643
United Kingdom	20,509	571	54,522	2,109	353,535	21,853	578,417	30,409
Manchuria	b/	b/	96	1	875	16	14,911	333
Australia	1,351	38	553	24	11,794	476	31,846	1,656
Other countries	11,052	287	28,883	533	54,685	1,423	123,116	2,968
Total	40,988	1,098	208,672	5,039	535,087	26,938	855,114	38,462

kin equals .6 kilogram or 1.32 pounds

Does not include exports of the Japanese fishery operating in Kamchatka.
Not available.

TABLE 3

Exports of Canned Crab from Japan to Principal Markets, in Specified Years, 1928 to 1938 a/

Country of Destination	1928		1932		1936		1938	
	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen
United States	134,641	10,488	60,758	4,534	82,217	8,391	68,918	7,515
France	4,629	340	19,772	1,369	6,740	778	1,351	127
United Kingdom	76,811	5,977	49,628	3,653	57,421	5,740	46,350	4,786
Manchuria	b/	b/	7	c/	226	14	336	26
Other countries	<u>23,755</u>	<u>1,768</u>	<u>17,468</u>	<u>1,194</u>	<u>24,778</u>	<u>2,277</u>	<u>27,559</u>	<u>2,790</u>
Total	239,836	18,573	147,633	10,750	171,382	17,200	144,514	15,244

1 kin equals .6 kilogram or 1.32 pounds.

a/ Does not include exports of the Japanese fishery operating in Kamchatka which would bring exports considerably higher than shown here.

b/ Not separately reported.

c/ Less than 500 yen.

TABLE 4

Exports of Canned Sardines from Japan to Principal Markets,
1936 and 1938 a/

<u>Country of Destination</u>	<u>1936</u>		<u>1938</u>	
	<u>Quantity</u> <u>100 kin</u>	<u>Value</u> <u>1,000 yen</u>	<u>Quantity</u> <u>100 kin</u>	<u>Value</u> <u>1,000 yen</u>
Europe:				
Belgium	17,454	270	15,081	267
Germany	--	--	301	7
Greece	--	--	848	28
United Kingdom	17,055	262	17,880	329
Africa:				
Egypt	2,359	50	4,716	95
Asia:				
British India	74,399	1,107	1,452	24
Burma	--	--	38,358	531
China	586	10	13,261	302
Kwantung	3,568	56	13,133	276
Manchuria	1,333	19	7,798	166
Netherlands Indies	98,406	1,417	94,011	1,541
Philippine Islands	110,022	1,586	74,462	1,290
Straits Settlements	68,625	990	16,392	292
Other countries <u>b/</u>	<u>105,504</u>	<u>1,715</u>	<u>127,339</u>	<u>2,396</u>
Total	499,311	7,482	425,032	7,544

1 kin equals .6 kilogram or 1.32 pounds.

a/ Includes sardines packed in oil and in tomato sauce and in other sauces and oils.

b/ Includes some countries in the above continent groups.

TABLE 5

Exports of Canned Tuna Fish from Japan to Principal Markets, 1934, 1936 and 1938

Country of destination	1934		1936		1938	
	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen
Canada	2,124	112	9,953	521	10,652	492
United States	55,063	3,152	51,838	3,206	43,226	2,807
Belgium	2,191	138	4,291	249	2,922	134
Manchuria	16	a/	143	3	1,420	29
Other countries	<u>10,130</u>	<u>446</u>	<u>15,190</u>	<u>674</u>	<u>16,727</u>	<u>605</u>
Total	69,524	3,848	81,415	4,653	74,947	4,067

a/ Less than 500 yen.

TABLE 6

Exports of Salted Fish from Japan to Principal Markets in Specified Years, 1928 to 1938

Country of destination	1928		1932		1936		1938	
	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen
United States (in- cludes Hawaii)	2,527	66	6,508	80	7,773	119	3,853	76
China	a/ 27,926	a/ 232	10,859	99	160,143	14 57	82,492	1,030
Hong Kong	26,250	210	51	b/	12,011	116	5	b/
Kwantung	18,624	187	20,549	182	63,629	713	168,519	1,936
Manchuria	c/	c/	1,080	8	1,634	18	22,573	225
Other countries	<u>676</u>	<u>17</u>	<u>820</u>	<u>17</u>	<u>6,018</u>	<u>150</u>	<u>1,277</u>	<u>65</u>
Total	76,003	712	39,867	386	251,208	2,573	278,719	3,332

a/ Includes Manchuria.

b/ Less than 500 yen.

c/ Included with China.

1 kin equals .6 kilogram or 1.32 pounds.

TABLE 7

Exports of Fish and Shellfish, Dried, or Boiled and Dried, from Japan to
Principal Markets in Specified Years, 1928 to 1938

Country of destination	1928		1932		1936		1938	
	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen
United States <u>a/</u>	23,868	1,135	18,950	584	13,576	484	11,302	683
China	<u>b/</u> 32,821	<u>b/</u> 2,346	22,892	763	61,540	2,709	43,663	1,985
Hong Kong	163,495	5,083	17,530	546	61,978	2,257	3,622	130
Kwantung	9,965	981	23,406	879	37,208	2,198	56,949	4,260
Manchuria	<u>c/</u>	<u>c/</u>	352	10	3,510	129	9,475	404
Netherlands Indies	113	12	452	32	488	52	164	11
Philippine Islands	5,694	171	8,802	113	26,619	480	8,902	246
Straits Settlements	23,203	788	4,901	174	45,106	2,385	597	39
Thailand	1,005	43	5,061	134	2,727	154	173	14
Other countries	<u>21,542</u>	<u>1,084</u>	<u>13,087</u>	<u>489</u>	<u>21,181</u>	<u>1,192</u>	<u>11,386</u>	<u>684</u>
Total	281,106	11,643	115,433	3,724	273,933	12,040	146,233	8,456

1 kin equals .6 kilogram or 1.32 pounds.

- a/ Principally Hawaii.
b/ Includes Manchuria.
c/ Included with China.

TABLE 8

Exports of Fish Meal from Japan to Principal
Markets, 1936 and 1938

<u>Country of destination</u>	<u>1936</u>		<u>1938</u>	
	<u>Quantity</u> <u>100 kin</u>	<u>Value</u> <u>1,000 yen</u>	<u>Quantity</u> <u>100 kin</u>	<u>Value</u> <u>1,000 yen</u>
United States	779,694	5,027	332,415	2,590
Germany	280,347	1,975	172,589	1,246
Netherlands	10,964	86	38,395	330
United Kingdom	—	—	13,882	132
Other countries	<u>53,734</u>	<u>346</u>	<u>117,769</u>	<u>884</u>
Total	1,124,739	7,434	675,050	5,182

1 kin equals .6 kilogram or 1.32 pounds.

TABLE 9

Exports of Seaweeds from Japan to Principal Markets in Specified Years, 1928 to 1938

Item and country	1928		1932		1936		1938	
	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen	Quantity 100 kin	Value 1,000 yen
<u>Isinglass, vegetable</u> (agar-agar):								
United States	2,959	603	3,309	537	4,928	998	4,465	1,152
France	3,935	754	2,883	421	4,093	739	3,325	601
Germany	2,984	537	3,517	579	2,571	542	4,483	1,201
United Kingdom	1,340	257	1,849	315	4,057	768	2,213	574
China	1,601	306	1,017	93	861	136	780	183
Manchuria	59	12	206	1	126	24	1,051	196
Netherlands Indies	2,764	569	3,623	448	2,501	441	1,221	285
Other countries	5,855	1,104	4,970	771	10,349	1,926	7,817	2,009
Total	21,497	4,142	21,374	3,165	29,486	5,574	25,355	6,201
<u>Laver:</u>								
United States	387	156	525	106	636	151	522	149
China	a/ 432	a/ 40	186	13	677	47	1,732	181
Kwantung	290	68	587	87	1,354	184	3,367	333
Manchuria	b/	b/	9	1	450	51	1,303	88
Other countries	250	38	143	23	509	66	226	40
Total	1,359	302	1,450	230	3,626	499	7,150	791
<u>Tangles and sliced tangles:</u>								
China	306,739	1,912	477,584	1,424	162,412	2,883	121,471	775
Kwantung	114,769	701	104,246	399	74,542	471	241,872	1,488
Manchuria	8,860	52	36,165	109	22,170	133	33,070	255
Other countries	13,299	153	5,771	81	312,951	163	3,459	120
Total	443,667	2,818	623,766	2,013	572,075	3,650	399,872	2,638
Grand Total	446,523	7,262	646,590	5,408	605,187	9,723	432,377	9,630

1 kin equals .6 kilogram or 1.32 pounds.

a/ Includes Manchuria.

b/ Included with China.

TABLE 10

Exports of Fresh Fish and Shellfish from Japan to Principal Markets,
By Types in Specified Years, 1928 to 1938 a/

<u>Year and item</u>	<u>United States</u> b/	<u>China</u> c/	<u>Kwantung</u>	<u>Other countries</u>	<u>Total</u>
<u>Quantity (100 kin)</u>					
1928:					
Fish and shellfish	34,977	18,939	10,764	1,740	66,420
1932:					
Fish and shellfish	31,566	8,426	25,335	4,906	70,233
1936:					
Bonito and tuna	21,198	95	7,207	5	28,505
Oysters	31,599	125	48	155	31,927
Other fish and shellfish	<u>75,293</u>	<u>6,486</u>	<u>37,154</u>	<u>1,613</u>	<u>120,546</u>
Total	128,090	6,706	44,409	1,773	180,978
1938:					
Bonito and tuna	35,716	7,755	4,787	593	48,851
Oysters	2,020	130	16	--	2,166
Scallops (hotatekai)	4,636	581	5	313	5,535
Other fish and shellfish	<u>57,567</u>	<u>97,955</u>	<u>66,564</u>	<u>1,797</u>	<u>223,883</u>
Total	99,939	106,421	71,372	2,703	280,435
<u>Value (1,000 yen)</u>					
1928:					
Fish and shellfish	1,094	475	279	41	1,889
1932:					
Fish and shellfish	683	199	357	157	1,396
1936:					
Bonito and tuna	387	2	227	d/	616
Oysters	324	1	d/	1	326
Other fish and shellfish	<u>2,081</u>	<u>86</u>	<u>609</u>	<u>58</u>	<u>2,834</u>
Total	2,792	89	836	59	3,776
1938:					
Bonito and tuna	696	185	131	21	1,033
Oysters	24	1	d/	--	25
Scallops (hotatekai)	223	20	d/	10	253
Other fish and shellfish	<u>2,034</u>	<u>2,172</u>	<u>1,082</u>	<u>98</u>	<u>5,386</u>
Total	2,977	2,378	1,213	129	6,697

1 kin equals .6 kilogram or 1.32 pounds.

a/ Does not include fish livers which were not separately reported prior to 1939. During that year the exports of fish livers were 4,167,000 kin valued at 6,047,000 yen almost all going to the United States.

b/ Includes negligible exports to Hawaii.

c/ Includes insignificant exports to Manchuria.

d/ Less than 500 yen.

TABLE 11

Imports of Marine Products into Japan from All Areas in Specified Years, 1928 to 1938 ^{a/}

<u>Item</u>	<u>1928</u>	<u>1932</u>	<u>1936</u>	<u>1938</u>
	<u>Quantity (100 kin)</u>			
Formosa ^{b/}	77,920	87,197	^{c/}	^{c/}
Korea ^{d/}	1,796,759	2,183,766	2,835,417	6,233,756
Other countries:				
Fish salted	343,200	1,048,186	136,269	126,121
Other fish and shellfish	^{e/}	^{e/}	^{e/}	^{e/}
Inedible products ^{f/}	219,568	368,610	247,372	63,935
	<u>Value (1,000 yen)</u>			
Formosa ^{b/}	3,599	1,965	3,391	2,391
Korea ^{d/}	23,614	17,986	28,850	46,400
Other countries:				
Fish salted	3,242	9,831	1,449	1,174
Other fish and shellfish	1,747	7,498	1,411	468
Inedible products ^{f/}	<u>3,665</u>	<u>3,169</u>	<u>4,729</u>	<u>1,687</u>
Total	35,867	40,449	39,830	52,120

1 kin equals .6 kilograms or 1.32 pounds.

^{a/} Does not include fish oils (including whale) which are covered in a trade study entitled Fats, Oils and Oil-Bearing Materials.^{b/} Includes fish, shellfish, molluscs and all aquatic products except salt, corals, and shells.^{c/} Not available.^{d/} See Table 12.^{e/} Value only given.^{f/} Includes shells, sponges and fish guano.

TABLE 12

Imports into Japan from Korea of Marine Products in Specified Years, 1928 to 1940 a/

<u>Item</u>	<u>1928</u>	<u>1932</u>	<u>1934</u>	<u>1935</u>	<u>1936</u>	<u>1938</u>	<u>1940</u>
	<u>Quantity (100 kin)</u>						
Fish:							
Fresh or frozen	668,148	947,931	811,771	805,129	566,796	840,475	543,690
Canned b/	14,366	22,064	43,480	59,039	43,556	31,302	49,487
Dried	152,583	201,394	195,329	162,899	96,036	159,835	223,689
Salted	96,134	52,767	87,132	85,860	64,657	54,262	148,717
Roe	17,990	34,257	45,912	43,550	39,077	47,947	78,596
Shellfish:							
Fresh or frozen	10,922	8,093	23,534	38,736	24,450	12,194	15,814
Dried:							
Shrimp and prawn	21,421	10,069	18,950	27,360	34,388	35,038	29,333
Other dried shellfish	11,037	6,664	14,758	15,887	8,951	1,579	5,046
Whale meat	67,022	27,928	19,036	28,227	17,123	29,617	15,455
Seaweed:							
Isinglass, vegetable	160	266	153	267	371	413	220
Porphyra	8,842	10,593	14,578	10,663	28,294	27,305	31,479
Other seaweed	42,403	38,113	35,667	46,431	42,263	35,554	34,605
Byproducts:							
Fish:							
Dried for fertilizer	7,146	15,481	6,096	6,341	8,001	10,998	22,814
Meal	c/	c/	77,364	261,914	216,867	911,100	929,304
Refuse	678,585	808,146	854,136	1,505,268	1,644,787	4,036,137	1,443,146
Total	1,796,759	2,183,766	2,247,896	3,097,571	2,835,417	6,233,756	3,571,395
	<u>Value (1,000 yen)</u>						
Fish:							
Fresh or frozen	6,273	4,650	5,317	5,202	4,174	6,818	7,945
Canned	510	468	1,011	1,572	1,071	866	2,102
Dried	4,895	4,337	5,543	4,454	3,441	5,159	11,147
Salted	910	462	842	712	669	687	2,876
Roe	527	830	1,101	1,108	1,064	1,575	3,269

TABLE 12 (Continued)

Imports into Japan from Korea of Marine Products in Specified Years, 1928 to 1940 ^{a/}

<u>Item</u>	<u>1928</u>	<u>1932</u>	<u>1934</u>	<u>1935</u>	<u>1936</u>	<u>1938</u>	<u>1940</u>
	<u>Value (1,000 yen)</u>						
Shellfish:							
Fresh or frozen	135	116	246	400	302	193	493
Dried:							
Shrimp and prawn	513	179	319	470	702	938	1,439
Other dried shellfish	488	164	408	624	348	68	409
Whale meat	628	175	138	288	153	303	255
Seaweed:							
Isinglass, vegetable	30	40	22	36	71	92	119
Porphyra	2,586	2,086	3,539	2,121	3,969	6,558	16,057
Other seaweed	1,500	912	1,035	1,603	1,745	1,408	2,775
Byproducts:							
Fish:							
Dried for fertilizer	46	66	26	35	43	68	398
Meal	c/	c/	328	1,583	1,402	6,846	16,148
Refuse	<u>4,573</u>	<u>3,501</u>	<u>4,099</u>	<u>7,620</u>	<u>9,696</u>	<u>14,821</u>	<u>22,262</u>
Total	23,614	17,986	24,074	27,828	28,850	46,400	87,694

1 kin equals .6 kilogram or 1.32 pounds.

^{a/} Does not include fish oils (including whale).^{b/} Reported in dozens of cans. Converted to 100 kin on an estimated basis of 1 pound per can and 132.277 pounds per kin.^{c/} Not separately classified prior to 1933.

TABLE 13

Japanese Trade in Marine Oils, 1937 and 1938 (1,000 pounds)

	<u>Imports a/</u>	
	<u>1937</u>	<u>1938</u>
Fish oil	75,194	87,311
Whale oil	<u>422</u>	<u>481</u>
Total b/	75,616	87,792
	<u>Exports c/</u>	
	<u>1937</u>	<u>1938</u>
Cod oil	8,341	2,819
Sharks liver oil	11,756	11,068
Sardine oil	82,808	35,554
Other fish oil	13,123	7,353
Whale oil	5,099	227
Hardened fish oil	<u>67,987</u>	<u>43,728</u>
Total	189,114	100,749

Source: "Japanese Trade Studies --- Special Industry Analysis No. 15 -- Fats, Oils and Oil Bearing Materials," U. S. Tariff Commission, May 1945.

a/ All imports were from Korea; imports from other areas were small and not listed separately.

b/ In addition hardened fish oil was imported largely from Korea. Total hardened oil imported was 43,196 pounds in 1937 and 32,602 pounds in 1938. Total imports of marine oils were probably 100,000 - 120,000 pounds.

c/ Exports were chiefly to European countries.

APPENDIX C

LAWS AND REGULATIONS RELATING TO FISHERIES

APPENDIX C

LAWS AND REGULATIONS RELATING TO FISHERIES

The basic law dealing with fisheries is the Fishery Law of 1901, the text of which is given below.

Fishery Law of 1901

Section 1. In this law the word "fishery" means the catching or cultivation for profit of aquatic fauna and flora.

The word "fisherman" means one who engages in or possesses the privilege of fishery.

Section 2. This law does not apply to private waters except where expressly so provided.

Section 3. Any person desirous of obtaining the right to fish (a) either by establishing any fixed gear in a fixed position, (b) or by enclosing a particular area of water should obtain a Government license; the Minister of the Department shall determine the kinds of fishery requiring special licenses.

Section 4. A Government license must also be obtained for the exclusive right of fishing within a given area. Such license shall only be granted on the application of a fishermen's society (gyogyo-kumiai) intending to use for such exclusive right the shore of the locality where such society is established, or in cases where such right has acquired the sanction of long usage.

Section 5. The license mentioned in Section 4 shall determine the limits of the fishery when granted to a society or shall recite such limits when granted in accordance with long usage.

Section 6. Licenses shall not exceed 20 years duration, but periods of suspension under Section 9 shall be excluded in determining the expiring of the license.

Section 7. Rights of fishery may be the subject of inheritance, assignment, common property, or mortgage, but the transfer of exclusive use of an area of the sea can only be sanctioned by the authorities.

Section 8. The right of fishery may be cancelled when such right is not exercised within one year of the issue of license, or except on special

sanction, where a fishery has not been carried on for two whole years. But suspensions under Section 9 shall not be taken into count in the above periods.

Section 9. The authorities may limit, suspend, or cancel any fishery license when required for the protection of aquatic products or by the public interests, or when a fisherman breaks this law or the regulations issued thereon.

Section 10. Owners of land shall not hinder entry on their land or the use thereof when so required for establishing marks for fixing the boundaries or bearings of fishing grounds, provided that the sanctions of the authorities shall have been duly obtained.

Section 11. The authorities may order the establishment of such fishing marks.

Section 12. Any loss or damage caused by the entry or use of private land as mentioned in Section 10 shall be paid for upon a claim being made.

Section 13. With the sanction of the Minister of the Department prefectures may issue orders on the following matters:

(1) The limitation or prohibition of catching and selling marine products;

(2) The limitation or prohibition of particular methods of catching or using boats or implements;

(3) Limitation of the number of fishermen engaged in a fishery, or fixing their qualifications;

(4) Limitation or prohibition of the discharge into the water of substances injurious to aquatic products.

Where such orders are violated all fishing implements and the products fished shall be liable to confiscation.

Section 14. The Minister may limit or prohibit the placing or building in any particular locality of any construction that may interfere with a passage of fish up a river.

He may also order the modification of any such existing construction.

Section 15. In cases falling under the second paragraph of Section 14 compensation shall be payable by the Minister, such compensation being recoverable from any fisherman upon whose application the modification was ordered.

Section 16. The three preceding sections shall be applicable to private waters when such water communicate with public waters.

Section 17. Not translated.

Section 18. The fishermen residing within definite limits may, with the sanction of the authorities, form a fishermen's society (gyogyo-kumiai): the territorial limits of the society shall be definite sections or hamlets of a town, village or fishermen's quarters. In Hokkaido the limits may extend to those of a county.

Section 19. Such fishermen's society shall be the owners of the fishery rights and privileges in the given locality, but shall not itself (that is quâ society) conduct fishing operations.

Section 20. When such society has obtained a license for the exclusive use of the sea adjoining its place of habitation, it shall cause its individual members to conduct the fishery on rules laid down by the society.

Section 21. The Minister of the Department shall issue regulations for the establishment, management, and supervision of fishermen's societies.

Section 22. Fishermen or persons engaged in the manufacture or sale of fishery products may establish an aquatic products society (suisan-kumiai) or fishery guild for the improvement and development of fisheries, for the protection and cultivation of marine products or for increasing the advantages derived from the industry. Such societies shall be regulated by the Law for Industrial Associations (Juyo-bussan-dogyo-kumiai).

Section 23. Anyone to whom the issue or modification of a fishery license has been refused or who may consider himself aggrieved by any decision under Sections 8 or 9 or paragraph 2 of Section 14 may present an objection petition to the authorities.

Any persons aggrieved by the decision on such objection petition may appeal to the Civil Courts.

Section 24. Any person considering himself injured by the wrongful issue of a license or by a wrongful modification thereof may file suit in the Civil Courts.

Section 25. In case of disputes between fishermen as to the boundaries of fishing grounds or the limits of any fishing rights or methods, the parties may apply to the local authorities for the decision of such dispute. Either party may sue in the Civil Courts against such decision.

Section 26. Any person fishing without a license in cases where license is required or during any period of suspension of such license or in

contravention of the conditions or limits settled by such license, shall be liable to fine, and to the confiscation of all fishing gear employed in such illicit fishing and of the products thereof.

Section 27. The owner or possessor of the right of fishery shall be held responsible for the acts of his employees, and penalties due under Section 26 shall be levied upon him.

Section 28. Any person trespassing upon rights of fishery conferred by Sections 3 and 4 shall be liable to fine upon the complaint of the owner or possessor of the rights trespassed upon.

Section 29. Anyone destroying or removing marks denoting a fishing ground shall be liable to fine.

The above law was supplemented by 75 sections of regulations issued by the Government for the due carrying out of the law.

Major Laws and Ordinances

Listed below in chronological order are important laws and ordinances dealing with the fisheries. The provisions of some of these have been mentioned in the report.

- 1897 Pelagic Fishing Encouragement Act. This act provided bounties to those engaged in pelagic fishing under specified conditions and provided for the training of officers and fishermen for pelagic fishing. Amended in 1905.
- 1901 Fishery Law as given above. Amended in 1910 and 1933.
- 1905 Amendment to Pelagic Fishing Encouragement Act extended the bounties to persons engaged in handling or transporting marine catches and to proprietors of vessels with certain types of motors and equipment.
- 1910 Amendment of Fishery Law. Provisions not available.
- 1921 Ministerial Ordinance No. 31 required that permission be obtained from prefectures for trawling operations.

- 1921 Suisan-kai Law providing for the establishment of fishery societies (suisan-kai).
- 1922 Central Wholesale Marketing Law.
- 1923 Ordinance providing for the control and limit of floating crab canneries.
- 1924 Trawl fishing placed under special control.
- 1929 Ordinance providing for the control of floating salmon canneries.
- 1933 Revision of the Fishery Law of 1901 which extended the scope of the village fishermen's societies and their cooperatives. Cooperatives were permitted to handle sales and make purchases for their members as well as to undertake banking functions. Fishermen's societies were granted exemptions from certain taxes and were protected against competition from trawlers and large seines operated by corporations and wealthy individuals.
- 1934 Trawler Control Law limited the number of trawlers permitted to operate in Japanese waters.
- 1934 Export Fisheries Control Law provided for regulation of exports of marine products.
- 1936 Fish Meal Export Control Law.
- 1937 Fishing Boat Insurance Act.
- 1939 New licensing system established for canneries.
- 1940 Ordinance further centralized the control of canned products by requiring all sales through special sales organizations.

APPENDIX D

LARGE JAPANESE FISHERY COMPANIES AS OF 1940 OR 1941

APPENDIX D

LARGE JAPANESE FISHERY COMPANIES AS OF 1940 OR 1941
(Capital in 1,000 yen)

- Borneo Suisan K. K. - Saiwai Bldg., Uchisaiwai-cho, Kojimachi-ku, Tokyo.
Est. Dec. 1933. Cap. 2,500 (1,400 p.u.) Rep.-Dir. K. Ueki.
Branches: Tawao, Borneo, Bonito Fishing in Sulu and Celebes Seas
of British North Borneo.
- Daito Gyogyo K. K. - 358 Hon-machi, Kochi City, Kochi-ken. Est. 1907.
Cap. 800. Rep.-Dir. K. Nakagawa.
- Fusan Suisan K. K. - 76 Ohashi-dori 3-chome, Fusan, Korea. Est. 1907.
Cap. 2,000 (1,010 p.u.). Pres. G. Kashi; Mng. Dir. G. Zetaya.
Engaged in aquatic industry.
- Godo Gyogyo K. K. - Otaru City, Hokkaido. Est. 1931. Cap. 9,686 (p.u.).
Pres. Y. Mitsui. Herring fish in Hokkaido waters.
- Hayashikane Shoten K. K. - 61, Takezaki-cho, Shimonoseki City. Est. 1924.
Cap. 15,000. Pres. I. Nakabe; Sr. Mng. Dir. K. Nakabe; Jr. Mng. Dirs.
Kenkichi Nakabe, E. Nakabe; Dirs. K. Ariyoshi, Y. Nakabe, etc.
Headquarters, Shimonoseki. Branches: Tokyo and 45 other places.
- Hinode Gyogyo K. K. - Gyogyo-Umetatchi, Shimonoseki City, Est. 1934.
Cap. 1,000 (640 p.u.). Pres. R. Masui; Mng. Dir. I. Ishimaru.
Fishing by trawlers in Yellow Sea and China, Formosa, Kyushu, Korean
waters.
- Karafuto Kyodo Gyogyo K. K. - 7 Sakae-machi Hondori 2-chome, Odomari-machi,
Karafuto. Est. 1932. Cap. 5,260 (p.u.) Rep.-Dir. T. Hiratsuka.
- Kyokuyo Hogei K. K. - Marunouchi Bldg. Marunouchi, Tokyo. Est. 1937.
Cap. 20,000 (15,000 p.u.). Pres. T. Yamaji; Mng. Dirs. Y. Ota,
J. Ishizeki. Whaling and Marine Transportation.
- Nishiman Gyogyo (Fishery Co.), Ltd. - 1 Tokiwamachi, Dairen. Est. 1934.
Cap. 1,000 (p.u.). Rep.-Dir. S. Minoda; Jr. Mng. Dir. S. Egima.

Nichiro Gyogyo K. K. (Nichiro or Russo-Japanese Fishery Co., Ltd.) -
2 Marunouchi 2-chome, Kojimachi-ku, Tokyo. Est. 1914. Cap. 53,800
(42,300 p.u.). Pres. T. Hiratsuka; Vice Pres. S. Shindo; Sr. Mng.
Dir. H. Miyake; Jr. Mng. Dirs. G. Toyama, S. Tsutsumi, M. Omi.
Branch: Hakodate. Merged Hokuyo Godo Fishery Co., in 1932.

Nippon Suisan (Marine Products) Co., Ltd. - Nissan Bldg., 2 Tamura-cho
1-chome, Tokyo. Est. 1925. Cap. 93,000 (68,250 p.u.). Pres.
K. Tamura; Mng. Dirs. K. Ueki, S. Minoda, J. Kato, Y. Nishimura,
C. Iwamoto. Trawling, Deep-sea fishing, whaling, ice manufacture,
cold-storage and freezing enterprises; sales of such products and
other foods, etc. Merger of Kyodo Fishery Co., Nippon Godo Kosen
Co., Nippon Whaling Co., Nippon Shokuryo Kogyo K. K.

Osaka Uo K. K. (Osaka Fish Co., Ltd.) - Shimo-Fukushima 3-chome,
Komohana-ku, Osaka. Est. 1931. Cap. 17,000 (12,763 p.u.). Pres.
T. Inoue; Vice Pres. K. Toyoda; Jr. Mng. Dir. H. Sawa. Fish Markets.

Taiheiyo Gyogyo K. K. - Head Office: Marunouchi Bldg., Marunouchi,
Tokyo. Branch Hakodate. Est. 1931. Cap. 8,000 (p.u.). Pres.
T. Hiratsuka; Sr. Mng. Dirs. S. Shindo, T. Hara; Jr. Mng. Dirs. T. Koshida,
K. Yamada. Salmon and trout fishing in Kamchatka and Hokkaido Waters.

Takasago Gyogyo K. K. - 5, Kannonzaki-machi 5-chome, Shimonoseki City.
Est. 1932. Cap. 750 (p.u.). Mng. Dir. F. Matsuo. Fishing by trawlers
in Yellow Sea, China, Formosa, Kyushu and Korean Waters.

Source: The Orient Yearbook, 1942.

APPENDIX E

INDUSTRIES RELATED TO FISHING WHICH WILL BE CRITICAL DURING PERIOD
OF MILITARY GOVERNMENT

APPENDIX E

INDUSTRIES RELATED TO FISHING WHICH WILL BE CRITICAL DURING PERIOD
OF MILITARY GOVERNMENTFish Net Manufacture

Fish netting will be one of the basic needs in rehabilitating the Japanese fisheries. During the war period there has been a scarcity of nets, but with the revival of textile production Japan can provide all of its needs of this item. A controlling factor will be the supply of raw materials, particularly cotton.

The largest part of the netting used for fish nets in prewar years was made by factories centered in Mie Prefecture. The chief fish net manufacturing companies in the order of their size are believed to have been: 1/

1. J. Yamamoto Fishing Net Manufacturing Company.
Kuwana, Mie Prefecture.
Branch office in Nagoya.
2. Hirata Fishing Net Manufacturing Company
Tomisuhara, Ise (Mie Prefecture)
3. Mie Net Manufacturing Company (Miye Seimo Gosh Kaisha)
Yokkaichi (Mie Prefecture)
4. Amikan Fishing Net Manufacturing Company
Tomida, Ise (Mie Prefecture)
This company manufactured fishing nets and twine, Manila rope and twine, etc.
5. Ondo Fishing Net Manufacturing Company
Ondo-Machi, Hiroshima Prefecture

1/ "Report on the Japanese Fish Net Industry," Department of Justice, January 18, 1943.

6. Naigai Fishing Net Manufacturing Company
Tsu, Mie Prefecture
7. Ohno Fish Net Manufacturing Company
Tomida, Mie Prefecture
8. Amita Shoten Net Manufacturing Company
Sasajima, Nagoya

The last three companies may not have had their own factories but contracted with other companies to manufacture for them. Fish nets were also manufactured in the city of Kanagawa, Ishikawa Prefecture. In addition to those manufactured in factories some nets, although in what quantities it is not known, were made in the small-scale "cottage" industries characteristic of Japan. It is possible that this production may have accounted for a considerable proportion of the netting used in the coastal fisheries.

Materials used in Japanese net manufacture included cotton, linen, silk, ramie, Manila hemp and hemp. The trap or pound nets were of the heavy materials whereas the finer nets such as gill nets were made of cotton or linen or a mixture of these two fibers.

Repair of Fishing Boats

The Nation-Wide Factory Guide of Japan, a translation of parts of Zenkoku Kojo Tsuran published in 1939, lists more than 600 firms which were at that time engaged in shipbuilding and ship repairs. Of these the ones listed in Table 1 were designated as building and/or repairing fishing vessels. Numerous other firms undoubtedly also built and repaired fishing vessels although their main work was on other types of

TABLE 1

Firms Building and/or Repairing Fishing Vessels

<u>Name</u>	<u>Address</u>	<u>Date of Founding</u>	<u>Chief Product</u>
<u>Yamaguchi Prefecture</u>			
K. K. Hayashi Ken Shoten Hikojima Takkosho	Oaza 1 of 4322 Hikojima Oi-machi, Shimonoseki Shi	1919	Steel wnaing ships
<u>Osaka Fu, Osaka</u>			
Ikeda Zosensho	89 of 1 Nambajima-cho, Taisho-ku	1900	New-motored fishing ships
<u>Hyogo Prefecture-Kobe</u>			
Otani Zosensho	874 Iwaya-cho, Tsuna-gun	1912	Fishing boats
Otada Zosensho	14 of 978 Iwaya-cho, Tsuna-gun	1845	Fishing boats
<u>Wakayama Prefecture</u>			
Ishigaki Zosen Koje	Oaza 795 Nishi Mukai, Nishi Mukai-machi, Higashi Muro-gun	1926	Fishing boats
<u>Mie Prefecture</u>			
Nishii Zosensho	625 Ominato-cho, Watarai-gun	1929	Fishing boats
Yoshinaga Zosensho	668 Ominato-cho, Watarai-gun	1935	Fishing ships
Nakai Zosensho	Jinja-cho, Watarai-gun	1897	Western style fishing boats
Izumi Zosensho	Oaza 1 of 618 Hikimotoura, Hikimoto-machi, Kita Muro-gun	1914	Fishing boats
Inove Zosensho	Oaza 1787 Hamashima, Hamashima-cho, Shima-gun	Horeki Period	Fishing vessels

TABLE 1 (Continued)

Firms Building and/or Repairing Fishing Vessels

<u>Name</u>	<u>Address</u>	<u>Date of Founding</u>	<u>Chief Product</u>
<u>Chiba Prefecture</u>			
Mori Zosensho	Oaza 2615 Uchiura, Kominato-machi, Awa-gun	1880	Fishing vessels
<u>Ibaki Prefecture</u>			
Sekino Tekkosho	Oaza 240 Daitoku, Omiya-mura Inashiki-gun	1920	Seaweed cutting ship
<u>Shizuoka Prefecture</u>			
Goshi Kaisha Koyanogi Zosen Bunkojo	500 Miho, Shimizu Shi	1926	Fishing vessels
Miura Zosensho	190 Miho, Shimizu Shi	1915	Eel fishing boats
Tsukama Seizosho	496 Miho, Shimizu Shi	1921	Fishing vessels
<u>Toyama Prefecture</u>			
K.K. Saga Zosen Tekkosho	1207 Rokutojo, Shinminato- machi, Imizu-gun	1916	Fishing vessels
<u>Miyagi Prefecture</u>			
Komatsu Zosensho	58 Goshoura, Ishinaki Shi	1889	Fishing repairs
<u>Iwate Prefecture</u>			
Kikuchi Zosensho	Dai Jusan Chievvari, Orinagamura, Shimo Hei-gun	1936	Fishing vessels
<u>Okayama Prefecture</u>			
Nakanoto Zosensho	Wake-gun	Unknown	Fishing vessels
Isomoto Zosensho	Wake-gun	Unknown	Fishing vessels

TABLE 1 (Continued)

Firms Building and/or Repairing Fishing Vessels

<u>Name</u>	<u>Address</u>	<u>Date of Founding</u>	<u>Chief Product</u>
<u>Tottori Prefecture</u>			
Ishiguro Zosensho	1053 Karo-cho, Tottori Shi	1878	Wooden fishing vessels
Ishiguro Zosensho Yonago Kojo	25 of 1 Gion-cho, Yonago Shi	1936	Wooden fishing vessels
Kobayashi Zosen Kogo	1110 Ohama-mura, Nima-gun	1781	Fishing vessels
<u>Tokushima Prefecture</u>			
Kuroe Dock Zosensho	Asakawara, Asakawa-mura, Kaibu-gun	1922	Fishing vessels
<u>Kochi Prefecture</u>			
Yamaji Zosensho	Nagahama-cho Agawa-gun	1897	Fishing vessels
<u>Nagasaki Prefecture</u>			
K. K. Itsutsu Kyodai Zosensho	323 of 3 To-machi, Nagasaki Shi	1927	Fishing vessels
Mukai Zosensho	307 of 3 To-machi, Nagasaki Shi	1926	Fishing vessels
Higuchi Zosensho	214 of 3 To-machi, Nagasaki Shi	1924	Fishing vessels
Yashima Zosensho	Oaza Sasuna, Sasuna- mura, Kami Agata-gun	1919	Small fishing vessels
<u>Oita Prefecture</u>			
Kamei Zosensho	Katsura, Tsukumi-machi, Kita Amabe-gun	1912	Fishing Steamers
Kamei Zosensho	47 Usuki, Usuki-machi, Kita Amabe-gun	1912	Fishing Steamers

TABLE 1 (Continued)

Firms Building and/or Repairing Fishing Vessels

<u>Name</u>	<u>Address</u>	<u>Date of Founding</u>	<u>Chief Product</u>
<u>Miyazaki Prefecture</u>			
Takahashi Zosensho	Oasa Hirano, Aburatsu, Minami Naka-gun	1931	Miscellaneous fishing vessels
<u>Hokkaido</u>			
Shinzo Zosensho	36 Tsuruoka-cho, Hakodate Shi	1926	Fishing vessels
Hori Zosensho	45 Kobune-cho, Hakodate Shi	1914	Fishing vessels
Kanena Suzuki Zosensho	2 Hokage-cho, Hakodate Shi	1930	Fishing vessels
Takigawa Zosensho	196 Ukaura-cho, Hakodate Shi	1897	Fishing vessels
Matsumoto Zosensho	36 Tsuruoka-cho, Hakodate Shi	1923	Fishing vessels
Asai Zosensho	144 Sumiyoshi-cho, Hakodate Shi	1934	Fishing vessels
Saga Zosensho	136 Kanahori-cho, Hakodate Shi	1897	Fishing vessels
Hiraishi Zosensho	43 Yamase Tomari-cho, Hakodate Shi	1928	Fishing vessels
Tsuji Tekkosho	Oazu Watsukanai, Watsukanai-machi, Soya-gun	1923	Fishing vessels
Sasmaki Zosensho	Aza Minato, Kameda-mura, Kameda-gun	1903	Fishing vessels

Source: "Nation-Wide Factory Guide of Japan," FEA Special Areas Branch,
February 1944.

Note:Place terms in above addresses

<u>Japanese</u>	<u>English</u>
gun	county
shi	city
mura	township or village
ku	city ward
dori	street
cho (or) machi	subdivision of a ward, town, or village, and not necessarily a single street.
chome	a further subdivision or "block" within a "cho" or "machi"
Aza or Oaza	section (no exact English equivalent)

vessels; pages 805 - 833 of the source lists the names and addresses of these other firms.

Small boats used in the coastal fisheries can in many cases be repaired locally. Fishing villages, particularly the larger ones, have their own works for engine repair. The Japanese fisherman is a capable engineer in the sense that he can repair, disassemble and reassemble the engine on his particular boat. This, of course, is not true of the more complicated Diesel engines.

Salt Production 2/

In the processing of fish for domestic consumption salt will be the single most critical item. Before the war Japan was the largest salt importing country of the world, importing during the period 1935 - 1939 about 1.3 million metric tons. 3/ Domestic production averaged about 600,000 tons annually. Since January 1942 salt for home consumption has been rationed.

The apparent consumption of salt in Japan proper was about 1.9 million tons per year in the prewar period; of this approximately 800,000 - 850,000 tons were required for household consumption and the food industries. The amount used for the salting of fish was 53,000 metric tons in 1937 and 57,000 tons in 1938. Much larger amounts of salt were consumed in the chemical industries - 1.4 million tons in 1938.

2/ This section is largely based upon the report prepared by the U. S. Tariff Commission, "Japanese Trade Studies, Special Industry Analysis No. 20 - Salt," June 1945.

3/ About one-third of prewar imports were from Formosa, Manchuria and Kwantung and one-sixth from China.

The salt industry has been under monopolistic control of the Japanese government since 1905. Only persons licensed by the government could produce or import salt and all domestically produced salt was sold by the Japanese government. Salt intended for use in the salting of fish, as well as that for other industries, received individual treatment under the law and was sold at a special reduced price.

During the period of Military Government control, essential civilian consumption of salt, i.e. in home consumption and food industries, should receive first priority and in such allocations the salting of fish should receive its due share.

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Only the major sources used in the preparation of this report are listed. In addition numerous confidential sources were consulted, including consular reports, I. D. C. abstracts, F. C. C. broadcast summaries, interview of repatriates and documents prepared by the War Department, the Navy Department and various other government agencies. Also items and brief articles in several periodicals, both those published in United States or Japan, were used; among these periodicals were Far Eastern Survey, Fishery Market News, Pacific Fisherman, Fish Trade Gazette, Oriental Economist, Journal of Imperial Fisheries, and Japan Weekly Chronicle.

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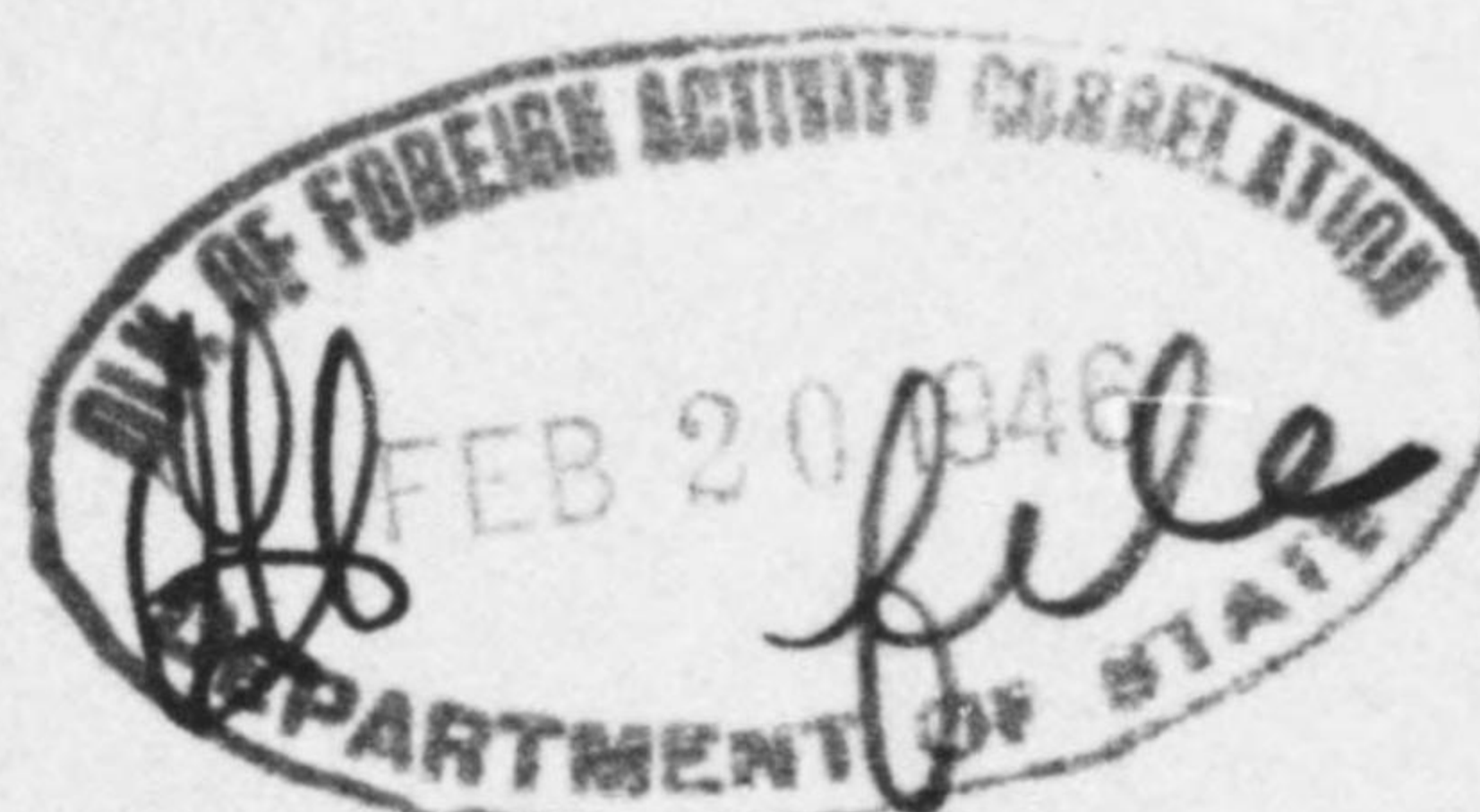
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FOREIGN ECONOMIC ADMINISTRATION
Enemy Branch

ADMINISTRATION 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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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 such 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.

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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 Ordnance 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 Ordnance 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;

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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 Tosel-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).