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HEADQUARTERS
U.S. STRATEGIC BOMBING SURVEY
(PACIFIC)
APO #234
C/O POSTMASTER, SAN FRANCISCO

INTERROGATION NO. 13
(Obtain from G-2)

PLACE: TOKYO
DATE: 8 Oct. 45 TIME 1000

Division of Origin: M.F.C.

SUBJECT: MANPOWER

Personnel interrogated and background of each:

SUEHIRO, GANTARO - Imperial University Law Professor,
labor specialist and member of
Board of Wage Control.

Where interviewed (Office): Imperial University.

Interrogator: Lt. Commander O. W. DeWolf, U.S.N.R.

Interpreter: Lt. Otis Cary, U.S.N.R.

Allied Officers Present: None

Summary:

- a) Board of Wage Control
- b) Black Market Labor
- c) Shortage of Labor
- d) Labor Unions and their Suppression
- e) General Notes

INTERROGATION

1. Board of Wage Control: This Board was described by Prof. SUEHIRO as a rather ineffective body established in October 1940 to obtain civilian advice on wage problems. The Board was composed of approximately 20 members; businessmen, scholars, and one high-ranking officer from each the Army and Navy. There were no representatives of labor on the Board. According to SUEHIRO, the Board would meet from time to time and examine wage scales drawn up by the Ministry of Welfare Experts. Inasmuch as the scales were virtually "fait accompli", SUEHIRO said, the Board did little more than rubber stamp them. No records or minutes of meetings were kept and no documents or reports were prepared. SUEHIRO said that he and other members of the Board protested repeatedly against black market labor conditions at the Board meetings and pointed out that the Army and Navy were the worst offenders. He added that although many promises were made to remedy conditions, little if anything was ever accomplished. The Board, which held its last meeting in February 1945, is still theoretically in existence. In view of these facts it is not considered necessary to investigate the Board further.

2. Black Market Labor: Prof. SUEHIRO said that black market labor contributed heavily to the confusion existing in Japan's wartime economy. Curiously enough, the market existed for unskilled rather than for skilled labor. SUEHIRO explained this by saying that skilled labor was highly controlled by the government whereas unskilled, which far outnumbered skilled, was not. This black market appeared to be an individual matter in some respects and a group matter in others. From an individual standpoint, it worked somewhat along this line: A laborer working for 10 yen a day would learn that another contractor was offering 15 yen a day for the same type of work. Therefore he would feign illness or arrange some other excuse to absent himself from his regular job for periods ranging from a day to several weeks and go to work for the contractor offering the higher wages. This practice was apparently quite widespread.

According to Lieut. Cary there is no counterpart in American economy for the manner in which the group black market worked. For example an individual, self-named and self-perpetuating, controlled a body of unskilled labor which he would market at the best available price. He could and did shift his group of workers from one contractor to another leaving unfinished work behind. Obviously, he was subject to bribery and flattery.

As mentioned previously, the Army and Navy were reportedly the worst offenders in black labor market. As explained by SUEHIRO, an Army officer or contractor would be given instructions to build an airfield, to cost say ¥700,000 within 90 days. If he encountered a scarcity of labor, he would completely disregard existing Welfare Ministry wage scales for the classes of labor he needed and pay enough to attract sufficient workers. Because it was a military project, authorities would ignore his wage scales and approve the cost which usually far exceeded the original appropriations. This practice, common in both Army and Navy circles inflated wages far out of proportion to what non-military contractors could afford to pay and disrupted the entire unskilled labor set-up.

SUEHIRO said that the public generally winked at the Army and Navy labor practices. However, when the Metropolitan Government of Tokyo offered ¥ 70 a day for common labor to build fire-breaks, it caused a national scandal. The only explanation on the part of Tokyo officials was that the job had to be done in a hurry.

3. Shortage of Labor: Despite Japan's vast manpower pool, a shortage of both skilled and unskilled labor existed, SUEHIRO said. He explained the unskilled shortage as existing through lack of organization and mis-management, rather than through an actual shortage of men. Failure of the government to control the individual and group black markets, absenteeism, disruption of transportation, dispersion of factories, etc., all contributed to Japan's failure to exploit the manpower available. Heart of the trouble, SUEHIRO said, was the quality of men heading local mobilization sections on the factory and local levels. Susceptible as they were to bribery, flattery and black market conditions, their activities completely disrupted any attempts for an orderly control of unskilled labor.

4. Labor Unions and Their Suppression: The labor union movement in Japan, never very strong, was completely suppressed by the police prior to the war. In 1937 a prefectural and metropolitan labor net was centralized in the Ministry of Home Affairs in the Bureau of Social Welfare. This was transferred in 1938 to the newly-established Bureau of Welfare which has since controlled much of Japan's labor. On one pretext or another (SUEHIRO said Communism was a logical one) police would break up a union and in its place install a factory association which the police themselves would control. These associations were later combined into two overall unions, Sangyo Hokoku Kai (Skilled & Semi-skilled labor) and Romu Hokoku Kai (Unskilled labor) which were controlled by Welfare. Individual union initiative was completely stifled.

Questioned as to the authority of police to break up unions, SUEHIRO said they acted largely on their own authority with the backing of young bureaucrats in key positions in the Home Finance and Welfare Ministries who were largely under the influence of the Young Officer's Clique. SUEHIRO left the definite impression that these young bureaucrats and militarists were then preparing for war and were taking steps to insure there would be no labor unrest.

5. General Notes: SUEHIRO said that the students probably worked better as a group than any other segment of Japan's manpower. (This was borne out by subsequent interviews.) The railroad workers and merchant marine crews were controlled entirely by the Minister of Transportation. However, in either May or June 1945 the Navy took over the operation of the Merchant Marine. Absenteeism was quite widespread, due to a number of reasons including the black market which has already been discussed. Prof. Hyoe OUCHI of the Imperial University was recommended as another good labor contact.

6. Evaluation: SUEHIRO is primarily an educator and a scholar and views labor from that direction rather than from the industrial or practical side. He is well-versed in the labor field and will be of value. Questions should be submitted to him several days in advance and SUEHIRO has promised either to produce the information or furnish the names of persons who can. He was completely cooperative and friendly and the considerable material in his office is available for inspection.