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1940.

Status of the Economic Control Machine of  
the Kwantung Province.

The scheme for transferring small and  
medium sized Japanese manufacturing  
plants to Manchuria during the fiscal  
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The Manchukuo Government's Plan for  
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## Status of the Economic Control Machine of The Kwantung Province.

Now in Japan cry for regulating the civilians' consumption is much in vogue. A ticket-ration system for sugar and match is expected to be shortly put into force in six major cities. Such partial economic control, however, can hardly suffice to meet the situation. In view of the trend of the current international situation, Japan would willy-nilly be compelled to resort to a wholesale control of consumption.

The German forces now made a bloodless march to Paris. The capitulation of France, in a glance, shows that the strength of Germany and Italy is overwhelming. But in Britain are heard clamors for a 100 year war. Apart from such aspects, Japan is now forced to take a more stringent control of consumption for disposition of the China Incident and for establishment of a new East Asia.

Since the advent of the warfare around the China Incident we often hear in our daily life of illegal acts such as illegal traffickings, illegitimate hoarding of merchandise, black-market prices and so forth. And the black-market prices have caused a nation-wide rush of converting money into tangible goods to emerge. One of the supreme tasks imposed upon the Mowai cabinet on its birth was to halt this pernicious trend among the Japanese population. This popular mood of "commodity first, money next" had an effect to spur the inflation, and inevitably caused a further rise of prices. The black-marketeering is, of course, the main cause responsible for it.

At the very moment when Fuhrer Hitler entered the Polish capital, Warsaw he declared that "our people must share the hardships of our soldiers in the front. Those who violate the economic measure deserve a punishment to death by shot." This appears

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to be a sheer expression of his unshaking conviction gained from the stringent economic control set up based on the valuable experiences obtained during the world war I. In Germany, as a matter of fact, a drastic measure for consumption-control is being exercised on every description of commodities. The phenomenal success of the German Blitzkrieg, one after another, owes not a little to the systematic economic control which is exercised and observed in the rear of the fighting fronts.

The area which the Kwantung Province occupies is limited; it is, in fact, no more than a tiny existence on earth, holding a population fewer than 130,000. However, looked from the viewpoint of the Japanese-Chinese-Manchurian economic block it geographically holds a key-position. With an open port, Dairen embraced in this province, it is tasked with an important rôle as a channel for an enormous volume of commodities and materials.

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So the economic control in this region has a significant bearing upon the war-time national economy of Japan.

The control of production-materials in the Kwantung Province and Manchukuo is principally conducted by the hands of the "Nichiman Shoji" or the Japan-Manchuria Trading Company; whereas the control of consumption-goods in Manchukuo is being looked after principally by the "Seikatsu Hitsujokin Kaisha".

The economic control machine in the Kwantung Province, that approximately compares to the above company in its function is the "Kantoshu Boyeki Jitsugyo Kumiai Rengokai" or the Federated Association of the Kwantung Province Trade and Industrial Guilds. We, however, witness a wide difference between the two in the motive of their formation as may be noted from the following.

The Manchurian control organization referred to above features itself in that it defies the intrinsic facta innata in the merchant as such. The only thing which this control machine

attempts to do with the merchant is to allow  
 itself to avail of his ability in the technique of  
 distribution service; whereas the Kwantung control  
 organization attaches the primary importance to  
 the procurement of commodities, and has no  
 intention at all to exclude the existing  
 merchant class.

On the other hand, one  
 thing which is common to Manchuria and the  
 Kwantung Province is the fact that both are  
 dependent upon Japan in the supply of production-  
 goods and consumption goods. Incidentally,  
 80% of the whole supply of commodities flowing  
 into Manchukuo are shipped through Dairen.

For procurement of commodities of Japanese  
 origin, the Manchukuo Government maintains that  
 the allotment should be considered on the  
 basis of present status of actual consumption;  
 whereas the Kwantung Province authorities favor  
 the actual volume handled in the past to take  
 as basis of all considerations. Looked from  
 the viewpoint of the low-price policy which forms  
 the backbone of the war-time economic policy



the view of the Manchukuo Government now busily engaged in the job of implementing a ration-system which repudiates the intermediary structure seems to be more reasonable. But it would be technically difficult to carry out such system at one stroke.

The commodities which were primarily taken up as the objective of control by the Manchukuo Government through the control machine above-mentioned were more than 50 items. These have however recently been curtailed to 8 items included in Class "Kō" (namely sugar, rubber shoes and boots, Japanese socks, uniform for civilian use in the Concordia Association pattern and fabrics for making this clothe, sport goods, tea, pickled salmon, pickled trout, and tangle). As to the 8 items which come under the category of Class "OTSU" (soap, canned foodstuffs, sea products, diary products, silk fabrics, dry goods, porcelains, and enamelled-ware), a new organization termed "Seikatsu Hitsujūhin Nyūnyū Renmei" or the Importers Federation of Daily Necessaries,

with the "Seikatsu Hitsujukin Kaisha" or The Daily  
 Necessaries Distribution Company as its centre, joined  
 also by a number of leading importers is now  
 under way of formation so that when inaugurated  
 this new establishment can have a right to  
 handle the job of distributing these items. As  
 regards Commodities other than those aforementioned  
 these can be freely imported for sometime to  
 come just as had been in the past. The  
 double-channels for import now opened by the  
 Manchukuo Government is no more than an  
 improvisory measure. When the S.H.K. gets itself  
 more accustomed with the distribution technique  
 and when the export machine of Japan grows  
 full-pledged, the question of import through  
 a single channel would, on account of the  
 current situation, domestic and overseas, once  
 again be brought to the foreground for  
 popular discussion. The relations between the  
 K.B.J.K.R. and the S.H.K. would then assume  
 a much different colour. The K.B.J.K.R. would  
 in all probability be forced to the need

to do away with its present policy to support the existing traders.

Complaints and slanders are now being poured upon the K.B.J.K.R., but a rigid economic control machine of this kind is inevitable due to the current trend of situation. Rather the arguments which repudiate the raison d'être of such body is anachronistic. The K.B.J.K.R. has for its mission the job of acquiring the supply of consumption-goods for distribution in the Kwantung Province. This establishment had been under way for formation since the last autumn, and was in April this year formally organized. Under its control there are now 36 trade guilds, unified according to the lines of business each of them handles.

The Import and Export Permit Regulation which was put into force by the Kwantung Provincial Government under date of April 1940 covers 195 items for import and 292 items for export, and each consignment for export or import is now made subject to

prior approval and permit to be obtained from the Governor of the Kwantung Provincial Government, applications for import and export being required to be filed through the control body, i.e. K.B.I.K.R.

This organization appears to be giving its first consideration to the job of acquiring supply of necessary commodities for distribution in the Kwantung Province. Accordingly, the restriction in the case of import is much more lenient. For export, a close screening is being exercised to check the possible undue increase of outflow of commodities, which is now threatened, particularly owing to the ceiling level of prices prevailing in North China.

According to the policy which the K.B.I.K.R. is now following in exercising the foreign trade permit regulation, the commodities for import and export are classified into 12 headings, ranging from A to L.

Class A includes the goods which are handled by the Trade guilds which are associated with the K.B.I.K.R.

Class B covers the commodities which the firms other than <sup>those associated with</sup> these guilds can handle. Class C-L are the items which any firm other than the K.B.J.K.R. can handle in the same way as used to be in the past.

The designated firms for the different classes above-mentioned are:

- Class C Nichinan Trading Co.
- " D Kantō<sup>shū</sup> Mengyo Rengokai or The Kwantung Provincial Cotton Trade Federated Association.
- " E Dōwa Automobile Co.
- " F Kantōshū Nōkai or The Kwantung Province Agricultural Association.
- " G Manchuria Sunny Bag Guild
- " H Manchu Kyōdō Cement Co.
- " I Mitsubishi Shoji Kaisha
- " J Manchuria Rubber Industry Federated Association.
- " K Manchuria Monopoly Explosives Material Guild.

Class L Merchandise which can be handled in the same way as before for the time being or merchandise which are to be considered in each individual case.

The foregoing is temporary, and major alterations are expected to be made sometime later.

As has been released by the K.B.I.R. on May 28 1940, import and export permits granted through this control body totalled 11,176 in number for the good of ₹ 38,968.000.- worth in aggregate.

The set-up of the personnel and various offices of this establishment can be summarized as follows:-

Head director

Board of directors

Auditing director

Advisers to the head director

General Meeting

Directors on active duty

Planning Committee

Conciliation Committee

Inspectors' office

General Affairs Department:

General Affairs Division

Investigation Division

Planning Division

Control Division

No. 1 Business Department:

Clothing Division

No. 1 Dry goods Division

Special Goods Division

No. 2 Business Department:

Foodstuff Division

No. 2 Dry Goods Division

Supervisory Affairs Division

Branches in Japan:

Tokyo, Osaka, Nagoya, Niigata and Shimonoseki

Branches in other territories:

Changchun, Seoul, Peking, Tientsin and

Tsingtao

The K.B.J.K.R. is at present interested only in the job pertaining to the applications for import and export permits. While, its memorandum of association provides, among others, several types of job, which are of commercial nature as may be noted from the following:

Intermediary for commercial transactions of the trade guilds under its control.

Customs procedures for its member-guilds.

Transportation and delivery of goods for its member-guilds; collection of payments and depayal of money on their behalf.

Settlement of accounts on behalf of its member-guilds for the latter's purchases and also collection of payments on their behalf.

Warehouse business.

Investigation on the status of demand and supply of merchandises in the public markets.

Investigation of financial standing.

Investigation of economic conditions in general.  
Any other business required for attainment of what this organization aims at.



The main source of revenue for the K.B.J.K.R. is the income of "Control Fee"; the tariff of which, however, is not fixed yet. However, the rate of the control fee which has been submitted to the Kwantung Government for approval is reported to be as follows:

For Imports:	Rate of Control fee
Class "KÖ" Merchandise	3/1,000 of import value
Class "OTSU" "	5/1,000 " "
Class "HEI" "	10/1,000 " "
Printing paper for newspaper, books, Rice	free

For Exports:

On Goods destined to Manchuria:

Class "KÖ", Class "OTSU", printing paper for newspaper, books, rice	free
Class "HEI"	1/1,000 of export value

On Goods destined to China:

Class "OTSU"	3/1,000 of export value
Class "HEI"	10/1,000 " "
Printing paper for newspaper, books, rice	free

Note:

Class "KO" covers the following items:

Timber, foodstuffs, and the 8 items handled by the S.H.K.

Class "OTSU" covers general commodities other than Class "KO".

Class "HEI" covers the goods which fall within the jurisdiction of the Special Goods Division of the K.B.J.K.R.

When the Class "HEI" is left out some day later, all the goods destined to Manchuria will become exempt from such charge. On the other hand, Manchukuo Government is ambitious and is entertaining hopes that not only on the exports such charges will also be lifted on the imports. The Manchurian side is further looking forward to direct import from Japan being made possible.

Present status of ration-system practised in the Kwantung Province.

The ration-system has already been started on the daily necessities such as rice, wheat flour, sundry cereals, sugar, including also match.

These, with the exception of sundry cereals, are the items which fall under the control of the K.B.I.K.R.

As regards Match, import from Japan has now become difficult. To meet this situation, the Mitsubishi Trading Company who are the sole agents for the Dairen Match Company are undertaking delivery to the retailers in the whole area of the Province through four jobbers. The limit for each individual is 3 small packets for each month, effective from June 16, 1940.

As to rice, wheat flour and sugar there are independent trade guilds for each of these three items, and are barely meeting the

the need in this province. No ration system has yet been provided for these.

The Sugar Guild has quite recently opened 125 delivery agents scattered over various points. It appears that the guild in distributing the supply of sugar will give priority to the need of households.

The wheat Flour Guild has organized a retailers guild, and it has started the distribution among the Manchurian Nationals mainly through this newly organized body.

The Rice Dealers Guild is since September 1939 undertaking the job of distributing the supply of rice through retailers. Japanese nationals alone <sup>can</sup> get supply of rice from them.

Above all, the distribution service for these three major supplies does not seem to be turning out smoothly, and it is very likely that these three items of commodities would

be compelled to rely upon a ticket-ration system before long.

As regards sundry cereals, Manchurian nationals resident in the Kwantung Province experienced a great deal of difficulty last year in obtaining supply of their principal foodstuffs owing to the intense drought which prevailed in this territory and to the resultant scanty supply of cereals. The discontinuance of the supply of rice to Manchurians had an effect to give rise to a marked increase in the demand for wheat flour among them. The supply of wheat flour available for distribution, which rests upon the normal level of crops harvested in the last season is by no means sufficient to satisfy the need of the Manchurian residents. Thus the factories, companies, banks and other establishments, where a large number of Manchurians are employed

are now attempting to organize consumers  
 cooperative societies to meet this situation.  
 At the very moment when a widespread  
 dearth of labor supply is witnessed the  
 measure to halt the drop of working  
 efficiency by eliminating bottlenecks  
 in the way of foodstuff-distribution is  
 regarded to be a problem of cardinal  
 importance.

At this juncture, the view which maintains  
 that it is more logical to leave the  
 three guilds of rice, of wheat flour and  
 of sugar out of the control of the K.B.J.K.R.,  
 thereby to contribute to the fair and legitimate price policy  
 is gaining ground. The yearly total  
 of the goods handled by these three guilds  
 reach an enormous sum, and since the  
 K.B.J.K.R. is dependent upon the source of  
 revenue which is at present solely comprised by  
 the control fees such proposition is certainly  
 not one which it will welcome.

A new company termed "Kantōshū Bōyōsei Jitsugyō Shinkō Kaisha or the Kwantung Province Foreign Trade and Industry Development Company is now under way of formation, and it is now expected that this company will be formally organized in July 1940 with a capital of five million yen. This company, when established, will undertake the jobs concerning financial aspect to assist the K. B. J. K. R. This new company, associates of the K. B. J. K. R., will, when inaugurated, take over all the interests in Dairen of the Manchuria Importing Co, and mainly handle the following lines.

- (1) Supply of capital funds in loan, granting of assurance, etc.
- (2) Warehouse business.
- (3) Allied businesses to the (1) and (2).

This company will open its headquarters in Dairen and a branch office in Port Arthur. In addition, a number of sub-offices are expected to be opened in various places if needs be.

The supreme organization of economic control in the Kwantung Province is the Board of Economic Affairs of the Kwantung Provincial Government, which was created in September 1939 together with the Economic Affairs Division of the Kwantung Bureau.

The Board of Economic Affairs, a war-time administrative machine for economic control consists of the following four divisions:

Division No. 1 (Commodity prices and commercial affairs)

Division No. 2 (Commodities and industrial affairs)

Finance Division (Banking)

Agriculture, Forestry and Marine Products Division

Besides, the Police Board of the Provincial Government has an economic police division, and the latter takes charge of the job of economic control to check violations of economic regulations.



As the situation develops, a more rigid measure of economic control would become essential.

Particularly, the question of the distribution machine which links the production and the consumption with one another would attract major attention. This is a question concerning the aspect of our economic life generally termed as commerce. The more tightened the economic control, the more limited is the field left to the merchant. When pushed to the extremity, the economic control would deprive from the merchant the largest proportion of his area of activity so that he can claim his *raison d'être* only in his ability in the distribution technique. The possible loss of ground on the part of this social stratum and measures with which to tackle the eventual situation would be another problem which would deserve serious thought in our discussions before long.

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The scheme for transferring small and medium sized Japanese manufacturing plants to Manchuria during the fiscal year 1940 decided.

The proposition to transfer small and medium sized manufacturing plants to Manchuria, the so-called industrial colonization proposition, was for the first in October 1938 discussed at the session convened in Osaka of the Japanese-Manchurian Economic Round Table Talk. At that time, the constructional works of major industries were making headway on a gigantic scale in Manchuria in line with the five-year industrial development plan sponsored by the Manchukuo Government. On the other hand, there have been lacking there smaller enterprisers who would play the rôle to help the activity of these major industries in the fields such as repair of machinery, manufacture of machine parts, etc. This forms the motive which gave rise to the proposition in view.

In this conjunction, what the Manchukuo Government aims at is to get Japanese makers with superior equipment transferred to Manchuria; whereas what the Japanese Government authorities primarily attempted was to seek a solution to the problem of conversion of small and medium class Japanese enterprisers as well as to the unemployment problem. Here we witness a fundamental difference between the two. Thus it has necessitated not a little time before the plants which can satisfy the desire of the Manchukuo Government have been selected.

In other words, only in the early part of 1940 nineteen plants had been chosen to fulfill the schedule for the fiscal year 1939. These are the plants interested in the manufacture of automobile parts and accessories, and of metal-working machines, and up till now all of them have completed their transfer, the number <sup>of plants</sup> and the localities to which <sup>they are</sup> destined being 15 to Mukden

and one each to Khunchun, Khailan, Tuning and Boli. The process of selecting another group of plants for transfer for the fiscal year 1940 has now been started.

The Manchukuo Government's policy for the fiscal year 1940 appears likely to lay stress on the makers who are interested in agricultural tools and implements in line with its material resources mobilization program; and thirty one manufacturing plants as are listed below have already been named. In the last fiscal year the plants chosen had been mainly transferred to South Manchuria; whereas those designated for the current fiscal year are scheduled to be moved over for the most part to the heavy industry zone of North Manchuria and to the principal agricultural regions. One half of these or fifteen are expected to be transferred in the course of the current calendar year.

The makers named for transfer for the fiscal year 1940 are:

Name	Present locality	Line of Business agricultural implements	Locality the transfer is destined to
Sato Shokai	Shimane Pref.		Changchun
Noda Koro Shokai	Kagawa "	"	Mukden
Katayama Seisakusho	Saitama "	"	"
Aitate Seisakusho	Hiroshima "	"	"
Yamada Seijiro	Hokkaido	"	Mukden, Rec-an or Tsitsihar
Yamada Kajo	"	"	"
Abe Tetsutaro	"	"	"
Ishimaru Jisaku	"	"	"
Kuroda Hikoji	"	"	"
Nakamura Yoshinao	"	"	"
Takanashi Mitsuo	"	"	"
Ikehata Jun-ichi	"	"	Chiamussu or Tung-an
Sasaki Shiro	"	"	Konochin
Naruse Kikuichi	"	"	Totsuga Suikyokunyu or Shitabo
Miyazaki Seisaburo	"	"	Hataho
Fujikawa Fumio	"	"	Harbin
Abe Teuniji	"	"	"
Sugano Toyoji	"	"	"
Komatsu Yoshitaro	"	"	"



The measures worked out by both the Japanese and Manchukuo Governments for the purpose to help the proposed transfer can be summarized as follows:

The items which will be borne by the Japanese Government:

Travelling expenses of the plant owners and plant workers, incidental to the transfer.

Expenses on the transfer and <sup>re-</sup>installation of the factory equipment.

The items which will be borne by the Manchukuo Government are:

Customs duty and the living expenses for the inoperative period due to the transfer.

Besides, the Manchukuo Government is open to advance the necessary funds for the transfer, and also to help these factories to raise loans for obtaining the necessary funds to cover the expenses on architectural work,

and also to obtain supply of the building materials.

The subsidies which will be granted by both the Japanese and Manchukuo Governments are estimated to be on average ¥14,000.- for each of these plants.



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## The Manchukuo Government's Plan for industrial development for the fiscal year 1941.

The fiscal year 1941 comes across the last of the years covered by the Manchukuo Government's Five-year Plan, and the Government authorities are, in close contact with the Japanese government, now in a hurry going into the detail of their projects for the next fiscal year. Needless to say, the material resource mobilization program forms the basis to the five-year plan, and all the data, propositions, etc. which the various departments and sections turned over to the Planning Board in relation to the 1941 mobilization program are now being studied by the latter office.

As the result of the signing of the Japan-Germany-Italy Tripartite Pact her national economy which has so far been much dependent upon the Anglo American Powers in the whole field of banking, foreign exchange, supply of

materials would be drastically changed. In other words, this traditional attitude of leaning upon Britain and America will be totally discarded. With the advent of her economic collaboration with Germany and Italy it would become imperative that she should take positive steps in her way to take part in the efforts for developing the natural resources in the Japanese-Chinese-Manchurian Co-prosperity sphere. Thus, emphasis would henceforth be put on the following points:

- (1) Measure to increase the production of staple agricultural products for export, such as Soya beans.
- (2) Measure for accomplishing increased production of the agricultural products from the view point of self-supply of foodstuffs in East Asia.
- (3) Measure for obtaining supply for Japan of a substitute for scrap iron, which is one of the most pressing problems at the present moment.
- (4) Measure to exploit the rich mineral stores

in Tungpin-Tao area, and thus to increase the production. Measure for an increased production of special-steel.

(5) Measure to establish the self-supply of petrol, of which the United States' export embargo is threatened. Measure for accelerating the exploitation of the oil-fields in Fushin, Chalainoerh and some other places with a view to meet this situation.

(6) Measure to further develop the basic industries such as coal mining, electric-power supply, etc. Particularly to these basic industries a foremost priority will be given by the Government in the supply of labor, materials, capital funds etc.

Much hopes are now being entertained upon the development of the industries in the forthcoming fiscal year on account of the measures enumerated above coupled with the recently decided "reshuffle" of the privileged companies.

One thing <sup>which</sup> may possibly be worthy of mention in this connection is the fact that the centre

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of gravity in the Manchurian industrial development program appears to gradually shift from the heavy industries to the agriculture and to the mining, i.e. towards the production of raw materials. Such phase had never been dreamed of in the earlier days of the Manchurian's founding. Due, however, to the pressure of the current situation, this cannot be helped.

The programs worked out by the various mining concerns for their business operation for the fiscal year 1941, reported by the local press, are in the main as follows:

### Aspects relative to the Manchurian Heavy Industry Development Company:

With the export embargo of scrap iron set forth by the United States, the position of the iron ore mining in the Tungpin-Tao area is regarded with a relatively increased gravity. How <sup>will</sup> the full operation of the Showa Steel Works turn out is another aspect to which much hope is lodged.

In coordination with the increased production

of iron ore, The Manchurian Coal Mining Company, the South Manchurian Railway Company, and all other collieries will start a vigorous drive to attain an increased output. In view of the limited degree in which freight cars are available at present, it is considered extremely difficult to expect an increase in the shipment of coals for cokes from Mishan and North China.

This means that the cherished full operation of the Showa Steel Works would inevitably be caused to more rely upon the increase in the yields of Tungpin-Tao coal. Thus, the development of the mine (coal as well as iron ore) will get a greater attention to accelerate the production.

At the same time, it is essential that measures are taken so as to increase the output of Penhsihue coal, and that of the Showa's mine and the Kyowa iron ore mine in Tungpin-Tao.

Also as to those branches of industry as automobile, aircraft and various descriptions of machinery which are indispensable for the establishment of the national defense of higher order we believe that as a matter

Of course special efforts will be made to implement the production program previously set. Further, in the light of the current international situation it is essential to promptly establish the industry of heavy machinery, which forms the foundation of the machine industries above-mentioned.

We believe that the constructional works of both the Manchurian Heavy Machinery Manufacturing Company and the Manchurian Machinery Company will be carried out along with the scheme previously set up.

The copper export embargo set by both the United States and Canada would possibly have an effect to accelerate the exploitation of the copper mines in Manchuria. <sup>will, we believe, be made</sup> Efforts <sup>will, we believe, be made</sup> also in the direction to increase the production of aluminium which is now picked up to substitute for copper. Thus, the Fushun Plant of the Manchurian Light Metal Company will be operated to the extent of its full capacity.

Increased production of Ferro-alloy also becomes essential on account of the growing tension

of the international situation. The deposits of Vanadium and molybdenum under control by the Manchurian Mining Company and the Manchurian Lead and Mining Company would become the objective for renewed efforts in the way of attaining increased production.

We shall now review the various enterprises which are being operated by the Manchurian Mining Company.

The 10-year plan of this company for carrying out survey of virgin prospective tracts was launched in the fiscal year 1939. It is, as is reported, scheduled by this company that this as well as the 3-year plan started in the fiscal year 1940 for investigation of prospective deposits in the Northern border region will be continued also in the fiscal year 1941 as were primarily scheduled.

In this connection, someone argues that in the light of the current strain of situation, such jobs as the investigation of the natural resources in

the outlying northern border region which permits no easy access might better be temporarily dropped, and that rather gravity should be laid on the investigation of such areas that afford greater facilities of transport and that would permit speedier exploitation. However, through a far-reaching consideration to lay down a foundation stone to the work of long-range development the above company, we learn, are determined to continue the investigation of the northern border deposits in prospect.

The Muxden Smelting Plant of the above company is expected to complete its expansion work by the year end of 1940. On top of this, they are likely to start the second series of expansion work of the above plant and also to establish an additional smelting plant in Antung.

In view of the present international situation there is now a very narrow prospect of being able to import manganese from British India. To meet this trend, the above company have



already started the development of the manganese mine in Wafangtzu, and is now obtaining an output of fairly important size.

Besides, when the new mining company which is now being projected is brought into being, it would be possible for the iron and steel plants, Japanese as well as Manchurian, to obtain supply of manganese more profusely.

The Manchuria Gold Mining Co. - Its activities in the placer gold mining in particular

This company is at present operating altogether ten placer mining boats on the rivers in Heicho Province Chientao Province and some other areas, and they expect to get during the fiscal years 1941 and 1942 eleven additional placer boats which are now under construction or in transit. They seem to be certain that they can operate altogether 21 placer boats in 1941, and thus a material increase in their output is expected for the fiscal year 1941.

The investigation and survey is one of the key factors also for exploiting gold dust mines. owing, however, to some difficulty in raising necessary funds for this purpose, it appears that the above company is obliged to put their newly started jobs of survey in abeyance. As a result of which, they are likely to concentrate on the deposits, of which they have already completed their investigation. The new gold deposit which they discovered in the current fiscal year seems to be highly promising. Thus, the above company may be able to accomplish an output of gold in the current fiscal year larger than that of the last.

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