

File

HEADQUARTERS  
UNITED STATES STRATEGIC BOMBING SURVEY  
( PACIFIC )  
APO 234

Tokyo  
27 October 1945

INTERROGATION NO 274

DIVISION OF ORIGIN Oil and Chemical

SUBJECT: Army and Navy Oil Operations and Overall Allocations

PERSONNEL INTERROGATED AND BACKGROUND OF EACH

Capt Hara, Michio 15 October 1945 0900

1930 - 1936 Gas Chokai and Myoko, Cv Kaga  
1938 - 1939 Adjutant Navy Department  
1939 - 1942 Fuel Section Commerce and Industry Ministry  
1942 - 1943 Fuel, Singapore  
1944 Fuel Section, Supply Bureau Navy Department

15 October 1945 1400

Col Sato, H.

1933 Osaka Army Munitions Factory  
1934 - 1936 Ordnance Bureau, Army Ministry  
1937 - 1939 Russia and Poland Military Attache  
1939 - 1941 Ordnance Bureau Army Ministry  
(Dec) 1941 - 1943 Staff Southern General Army, Luzon and Singapore  
1943 Chief of War Materials Section, War Affairs Bureau

18 October 1945 1400

Irie, H.

1930 - 1943 Commerce and Industry Ministry  
1943 - 1945 Munitions Ministry

18, 21 October 1945

Kiimura, H.

1931 - 1940 Teacher Middle Industrial School  
1940 - 1943 Cabinet Planning Board, Fuel  
1943 - 1945 Commerce and Industry Ministry, Oil

18 October 1945 1400

Omura, Y.

1922 - 1935 Fuel Experimental Bureau, Commerce and Industry  
Ministry  
1935 - 1945 Fuel Bureau

19 October 1945 1400

Vice Admiral Uehara

1931 PG Naval Academy  
1931 Nagato Gunnery  
1932 - 1934 Technical Bureau Navy Ministry  
1934 - 1936 England - Inspector of Construction  
1936 Executive CL URA  
1937 - 1939 Technical Bureau  
1940 - 1941 AO Iriemo  
1941 - 1943 Cabinet Planning Board  
1943 Captain CL Kinu  
1943 Chief 1st Section General Affairs Section, Technical  
Bureau  
1944 Chief General Affairs Section

15, 21 October 1945

Major Takanashi

1936 Graduate Chemistry Tokyo Imperial University  
1936 Fuel Research Bureau Commerce and Industry Ministry  
1939 Drafted  
1940 1st Lt, A/C Fuel technician, research Techikawa  
1940 Assistant to Major Usda, Fuels Section War Dept.

23 October 1945

Rear Admiral Akishige, J.

1935 Military Affairs Bureau Navy Ministry



**RESTRICTED**



Review of Rear Admiral Akishiga, J.. Cont'd:

1937 Yokusuka Arsenal  
1939 Naval Ship Building  
1944 Supply Bureau  
Vice Admiral Morita, K.  
1914 Naval Academy, aboard vessels  
1924-1926 England Language Officer  
1926 - 1928 Navy General Staff  
1928 - 1931 Section Chief Military Affairs Bureau  
1940 Chief Engineer Combined Fleet  
1942 - 1944 Chief of Fuel Refinery, Borneo  
1945 Chief of Supply Bureau

9 October 1945 0900

Where Interviewed: Various Places.

Interrogator: Lt. Comdr. Williams

Interpreter: Various

Summary: See part I of Text



GENERAL SUMMARY OF INTERVIEWS ON  
ARMY-NAVY OIL OPERATIONS AND OF  
OVERALL OIL ALLOCATIONS BETWEEN  
THE ARMY NAVY AND CIVILIANS.

I General Introduction

The oil industry in Japan was sharply segmented into Army, Navy and Civilian compartments during the war. A previous summary dealt with the civilian aspects of the industry. This summary deals with the Army and Navy aspects of the industry and with the overall efforts to coordinate the whole industry for the war effort.

Parts II and III deal with Army and Navy oil sources respectively touching on facilities in Japan and in the south. Some consideration is given to stocks, transportation and substitute fuels.

Part IV describes the mission of the Army Navy Oil Committee in coordinating oil shipping and Army and Navy requests for allocation of oil. Consideration is given to the separate operations at Tokyo and Singapore with respect to both functions.

Part V describes the original Japanese oil stocks and consumption for the three years following the outbreak of the war. It also describes the Cabinet Planning Board and the General Mobilization bureau of the Munitions Ministry and their functions of planning the mobilization of the Japanese economy and allocating oil between the services and civilians.

Parts VI and VII deal with the distribution mechanisms employed by the Army and Navy oil operations. It by no means answers all questions. Indeed it raises more questions than answers. Its purpose is to indicate where most of the questions are likely to be found, leaving their answering and the analysis of facts and figures to further investigation.

II Army Oil Sources

Import and Production



Prior to World War II the Army was able to meet its oil requirements from importation from the United States and from Japanese refineries. The Army dealt with such Japanese importers as Mitsubishi Shoji, Mitsui Bussan, Asano Bussan and Misyo Shoji and such refiners as Japan Petroleum, Ogura Petroleum and Maruzen Petroleum. A negligible source of crude oil was domestic extraction. Army oil requirements were met without difficulty until the advent of the Petroleum Distribution Company which was formed in 1938 to control available oil in Japan. About this time the Army had trouble in meeting its requirements.

The Army before the war, as indicated above, relied largely upon civilian refining. Between 1931 and 1941 the Army built a refinery at Iwakuni, west of Hiroshima, with an annual capacity of 300,000 kilo litres. Completion was delayed due to lack of steel, cement and labor. The plant was bombed out. In 1931 the Shihei plant with 300,000 kilo litre annual capacity was built near Kinsei, Manchuria. A low temperature carbonization plant was also built at Kinsei, (Producing units and capacities of the three plants are available in the Division files). Actual production ran considerably less and the figures are available in the Division files.

During the war the Army gained extensive oil sources and refineries in Java, Borneo, Sumatra, and Burma. These sources produced "more than enough" crude oil for Army requirements, but wells were not worked to full capacity because of transportation and storage shortage, according to Col SATO. Some Java crude oil was sent to the Navy refinery at Balikpapan. Transportation shortage was due in some measure to an original deficiency in tankers but to more important extent to tanker sinkings and damaging due to submarines.

The location of the Army's south seas plants, the condition in which found by the Japanese and their capacities follow:



Plant	Condition found by Japs	Capacity
Sumatra		
Palembang	Perfect	2,000,000 KL Annual
Standard Oil	Perfect	2,000,000 KL Annual
BPN	Badly damaged	
Pang Balan Branden	1 yr to repair	1,000,000 KL Annual
?		
Java		
Surabaya		100,000 KL Annual
Mone Kurmo	100% Destroyed	
Cheipue	Repaired Summer '44	800,000 KL Annual
Borneo		
Miri	100% Destroyed	900,000 KL Annual
?	1 yr to repair to	
	550,000 KL	
Burma		
Rangoon	3 refineries	?

The southern Fuel Depot (NanpoNenryo Sho) at Singapore controls both the Army oil production in the south and the shipment of such oil to Japan. Sumatra sent both refined and crude oil to Singapore and used some locally. The Miri, Borneo Plant shipped both directly to Japan and Singapore. The plant here received only second reconstruction priority as the major effort was concentrated on Palembang. Java, according to Col Sato did not produce enough refined oil for local requirements and imported some from Sumatra while some of its crude was sent to Balikpapan for refining. Toward the end of the war, at least, the shipments to Japan consisted of refined products for the Army and Navy and Crude oil to be refined for particular civilian uses.

#### Stocks and Transportation

According to Col Sato, the "shortage of oil was the cardinal defect in the strategy of defending Japan". He said that "The Army had the wrong concept of modern warfare" and that "by the time they correctly analyzed European warfare, they couldn't get oil". As a matter of fact the Army according to Col Sato, never thought about oil stocks at all before 1934, because they were always able to meet their requirements in the world market.



By that time the stringency in foreign exchange limited their building up stocks. In short, it is Sato's opinion that the failure of the Army to have had adequate oil stocks contributed largely to the war turning out the way it did. However, he said that more important than stocks was the inadequacy of transportation. As an illustration of this, Sato pointed to the situation of abundant oil in the south and shortages elsewhere.

The army purchased a number of oil tanks and contents from the Joint Enterprise Co. The Army also undertook a tank building program.

#### Substitute Fuels

The war caused the use of the following substitute fuels in Japan: For Autos charcoal, coal, coalite, wood, acetylene, natural gas and compressed gas, for aircraft butyl alcohol and pine root oil. Alcohol for avgas was being produced at 20,000 KL monthly toward the end of the war, and 200,000 KL pine root crude oil were produced but not refined between 1944 and the end of the war. Pine root oil production was administered by the Agricultural Ministry, Forestry Bureau, Pine Root Oil Section. The National Farm Association helped subsidize civilian individuals to process the pine roots and the Farm Association brought the crude to the railroad stations. The Army ordered various oil companies to refine the pine root oil.

#### Plant Defense

When Saipan was lost the Army instructed all refineries to put in blast walls in Japan. In 1944, Palembang put in some blast walls after the Monokroni plant in Sumatra was hit.



### III Navy

#### Navy Oil Sources

The Navy began the war much better prepared than the Army in matter of oil stocks. The Army according to Maj Takahashi, had 1,200,000 KL of oil in stocks, whereas the Navy had 520,000 KL of refined products, and 5,000,000 tons of crude and heavy oil which converting at 0,8 gives approximately 6,250,000 KL or a total of 6,770,000KL.

The Navy like the Army had largely relied on importation from the United States for its oil requirements, purchasing from Mitsubishi, Mitsui and smaller Importers. However, the Navy had begun operation part of its 3rd Naval Fuel Refinery (Tokuyama) as early as 1921 and before the beginning of the war this plant had an annual capacity of 450,000 KL. The 2nd Naval Fuel Refinery (Yokkaichi) with an annual capacity of about 1,000,000 KL was about one quarter in operation by the beginning of the war, and while construction work continued throughout the war, the major producing capacity of this plant was in operation by the middle of 1943. In addition to these two operating plants, the Navy had an experimental plant, the 1st Naval Fuel Depot (Yokohama) two coal plants the 4th (Fukuoka) and 5th (Niejo) Naval Fuel Depots and finally a 6th Naval Fuel Depot in Formosa with annual capacity of 1,000,000 KL was planned but not completed. (the Ministerial Team of the Oil and Chemical Division has a complete description of facilities in Naval Fuel Depots 1, 2, and 3 with a list of tank depots and their capacities which total 3,086,000 KL).

The 2nd Naval Depot was designed to refine American crude oil. There was 1500,00 KL of crude in stock when the war began which was refined at the 2nd Naval Depot during the war. Submarines were successful to a large extent in preventing Borneo crude oil from getting into Yokkaichi, and most of the Borneo crude oil reaching Japan for the Navy was refined in Tokoyama. As already indicated the 6th Depot, which was planned to refine Borneo crude oil in Formosa was never completed.

The 1st and 2nd Fuel Depots were under the military jurisdiction of the commanding officer, Yokusuka Naval Station. The 3rd under the commanding officer Kure Naval Station, the 4th under the Sasebo Naval Station, the 5th under the Chinkai Naval Station (Korea) and the 6th under the commanding officer Takao Naval Station (Formosa).



Technical direction came from the 1st section of the Naval Supply Bureau (Gunju Kyoku) of the Navy Ministry. The Aviation Bureau through its experimental station near the 1st Naval Supply Depot kept close contact with technical trends in aviation fuels. (See accompanying chart Navy Distribution showing Fuel Organization).

One year after the capture of Borneo, the Navy possessed a large source of crude and refined fuel. The Navy refinery at Balikpapan was capable of refining about 2,000,000 KL of oil annually. The local wells produced about half that amount and crude oil was shipped in from Java and Sumatra. According to Admiral Akishige, head of the Fuel Section of the Naval Supply Bureau, the oil refined in Balikpapan was chiefly used for the Japanese Fleet and locally and only a meager amount was sent to Japan. Most of the oil sent to Japan went via Singapore because of the submarine menace in routes further east.

The Borneo Naval Oil facilities were controlled from Singapore. The ultimate superior in command was the commander in chief of the Southwestern Expeditionary Fleet, but the commander in Chief of the Second Fleet was the one in actual charge of administration.

Admiral Akishige stated that the amount of oil imported in Japan depended entirely upon the amount of shipping available as the supply of oil in the south was large enough. As the sinkings so far outdistanced effort to build new ships the tonnage curve went down on about a 60 degree curve.

The problem of shortage of fuel is illustrated by the avgas situation. Air warfare required from 40-50,000 lilo litres of avgas per month. Actually in early 1945, there was available for monthly use about 28,000 KL of aviation fuel of which 8,000 KL was alcohol. By June this figure dropped to 8,000KL of aviation fuel. At this point flights had to be cut to a minimum and only fighter pilots received training which term includes operational training.

Admiral Ashikige stated that it was impossible to get oil from Japan and that the fleet had to stay south. The Battle of Saipan (Battle of the Philippine Sea) cost the Fleet 200,000 tons of fuel and the Battle of the Philippines (Leyte Gulf) cost 150,000 tons of oil, whereas the total amount of fuel in Japan was 100,000 tons. It was for this reason the Admiral declared that the fleet went through the Surigao Strait and the Yamato and Musashi were caught by carrier aircraft in such restricted waters.



In further commenting on the transportation problem, Admiral Ashikige stated that during the early part of the war submarines were the chief menace, but when bases were established nearer the homelands the chief damage was done by planes. Within range of such bases it was almost impossible for ships to get through.

The Admiral further commented that massed mine laying prevented ship movements and he said that he never dreamed that the inner Japan Sea would become impassable for Japanese ships.

#### Substitute Fuels

The difficulties of getting oil from the south created a tremendous pressure to utilize substitute fuels. As already indicated great use was made of alcohol. Training planes used 30%, 50% and 100% alcohol depending upon the engine. Some methanol was used for water injection in aircraft engines but the total amount used in this way was very small. Methanol was used more extensively for automobiles. The 3rd Naval Fuel Depot had a methanol plant.

The Navy's ace in the hole in the way of substitute fuels was pine root oil. Admiral Morita stated that he believed that the American Air Force could not have possibly destroyed all the pine root oil kettles (of which the Navy had 34,000 throughout the country) and that this equipment could have operated the 7,000 planes which the Navy had for the deciding battle of Japan Proper (the Admiral didn't consider that the refineries weren't so dispersed).

Pine root processing involves heating the kettles of pine roots for about 12 hours. About 50% crude was thus obtained and from this 50% aviation gasoline off from 91 to 94 octane.

#### VII Naval Substitutes of Oil after Allocation by Cabinet Planning Board

No detailed survey was made of the Navy System of submission of requirements and distribution of fuel after allocation of quota. It is believed to operate in much the same fashion as the Army system. It was testified that with respect to avgas requirements the 2nd Division of Operations (?) made estimates which were submitted to the 1st Section of the Military Affairs Bureau where they were checked and then submitted to the Bureau of Supplies and that Captain Yoshida of the 3rd Section of the Naval Military Affairs section was the liaison officer with the General Mobilization Bureau. It was also testified that Captain Hara, Chief of the 3rd (distribution) section of the Supply Bureau controlled all the distribution of Navy Fuels.



#### IV. Army-Navy Oil Committee

In order to meet their mutual problems of oil production transportation and allocation and in order not to squabble between themselves before the representatives of civilian requirements, the Army-Navy organized the Army-Navy Oil Committee (Riku Kaigun Sekiyu Iinni) in the middle of 1942. The committee was composed of Army and Navy vice members as chairmen, and on the Army side the Chief Military Affairs Bureau, Chief Military Preparations Bureau, Chief 3rd Section GHQ and on the Navy side Chief Naval Affairs Bureau, Chief Naval Preparations Bureau, Chief Transportation HQ, and Chief 2nd Section Naval GHQ. While the central committee in Tokyo was concerned with overall problems, the matter of distances and shortage of ships sharply delimited the practical field of operations of Tokyo committee and necessitated the almost independent operations of something in the nature of a sub committee in Singapore to plan and act for the southern areas.

As a consequence, the Tokyo committee made general plans for production in the Sumatra, Java, Borneo and Burma areas and worked on general allocation of shipping, but as regards control of actual shipping and allocation of oil between the Army and the Navy the Tokyo Committee (and the Cabinet Planning Board) was concerned with only the northern areas, roughly speaking, and the Singapore Committee performed similar functions for the southern areas. The geographical breakdown follows:

##### Tokyo Committee

Home Islands  
Manchuria  
Korea  
China  
Nanoo Shoto  
Nawsei Shoto  
Formosa  
Marianas  
Carolines  
Marshalls  
New Britain

##### Singapore Committee

Philippines  
Malaya  
French Indo China  
Thai  
Sumara  
Borneo  
Java  
Celebes  
New Guinea  
Solomons  
Gilberts

No information was obtained during interviews as to production planning.

The shipping function was a most important one, for the often repeated reason that the amount of oil Japan obtained was not limited by its extractive or refining capacity but only by its shipping capacity. For example the south sea output for 1942 was 3,000,000 KL, and the actual amount reported 1,500,000 KL.



Primary control of oil bearing vessels, according to Admiral Akishige, was in a unit called the Senpaku Uneikai in the Transportation Ministry. He indicated that this unit allocated oil bearing tonnage between the Army Navy and civilians. After allocation was made the general overall operations of these vessels between Japan and the south was guided by the Army Navy Oil Committee.

Incidentally, the Navy had fleet tankers in addition to the tankers employed on supply missions. These tankers were operated by the Navy as the Navy saw fit, which created a certain amount of suspicion on the part of the Army which was inclined to believe that the Navy employed these fleet tankers for general supply as well as fleet services.

A special shipping matter taken up by the Army Navy Oil Committee was the Navy's responsibility ultimately, but the Army apparently kept pressing them all the time to devote more attention to this problem. By 1943, the submarine problem was a very acute one.

Sato inclined to the view that the Japanese Navy did not give adequate attention to the submarine menace and to anti submarine warfare measures. He thought that the Navy's strategy was faulty and that it sent its strength to the peripheries and left the rear areas prey to submarines, and that by the time the Navy was constricted to defending these rear areas both American subs and aircraft were able to hit Jap shipping.

As regards oil allocation, the Tokyo Army Navy Oil Committee was concerned exclusively with the preliminary allocation of oil produced in, or imported into Japan. The Singapore sub committee allocated oil produced or refined in that region which was not shipped to Japan.

The Tokyo committee met at the Army Navy Officers Club and received estimates from the Army Navy and Fuel Bureau on production. This figure was adjusted in the light of shipping available. The Army estimates for production in the south were received from the Southern Fuel Depot (Nanno Henryo Sho) through the Southern General Army. Imperial GHQ and the Fuel Section, Equipment Bureau (Sebi Kyoku of the Army Ministry. The Navy estimates came directly to the Navy Ministry from the 101st Fuel Board at Tarakan, where most of the wells were located, and from the 102nd Fuel Board at Balikpapan, where the refineries were located. The distribution section, Fuel Division, Supply Department of the Naval Ministry submitted these estimates to the Army Navy Oil Committee.



The civilian estimates of production and of consumption were always known unofficially by the Army Navy Oil Committee, and this permitted them to make tentative allocations with the whole picture before them.

After considering production estimates, shipping availability and civilian requirements tentative allocation was made between the Army Navy and civilian by the Tokyo Committee. The overall Army Navy import estimate and the Army and Navy requirements was then presented to the Cabinet Planning Board where it was considered and a final allocation made as described in Part V.

There is little data available as to the operation of the Singapore Committee. Some few tankers were allocated for its southern supply runs, but most of the work was shipment of drums on cargo vessels. The Navy of course used its fleet tankers to tap southern sources directly for fleet uses.

#### Army Navy Fuel Technical Committee

The function of the Army Navy Fuel Technical Committee (Riku Kaigun Nenryo Gijutsu Iinkai) was principally to secure standardization of Army and Navy Oil specifications. It also effected an exchange of technical information. The committee was organized in May 1944.

### V Overall Oil Planning

#### Initial stocks of Oil

As of December 1941 actual stocks of oil in Japan were as follows:

Army	1,200,000 KL	(using Major Takahashi's figures and interpolating a rough estimate based on Navy Figures).
Navy	6,500,000 KL	
Civilians	<u>1,500,000 KL</u>	
	9,200,000 KL	

This amount of oil is roughly equivalent to one year's normal civilian consumption.

#### Original estimates of Supply

Sometime in October, November or December of 1941, the Fuel Bureau of the Army and the Navy got together to estimate oil supplies that could be counted on for war. No civilian agency sat in on this meeting. The Army was represented by Col Nakamura. Major Takahashi from memory states the estimates arrived at are as follows:



	1942	1943	1944	Total
Home Products (Natural Oil) (Japan Proper)	250	300	350	900
Home Products (Synthetic) (Japan, Korea, Manchuria)	250	300	500	1,050
Imports from South	<u>300</u>	<u>2,000</u>	<u>4,000</u>	<u>6,800</u>
Totals:	800	2,600	5,350	8,750

N.B. Units 1,000 KL  
Year is fiscal year, April 1942 to March 1943

Estimates made at the same time of consumption follow:

	Dec 41-1942	1943	1944	Total
Army	900	1,000	1,200	3,100
Navy	2,800	2,500	2,500	7,800
Civilian	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>6,000</u>
Totals:	5,700	5,500	5,700	16,900

N.B. 1,000 KL  
fiscal year.

The actual home production and imports from the South are contained in the following table, submitted by Major Takahashi and prepared by him from memory.

	1942	1943	1944	Total
Home Products (Natural Oil) (Japan Proper)	300	269	280	849
Home Products (Synthetic) (Japan, Korea, Manchuria)	341	347	294	982
Imports	<u>1429</u>	<u>2614</u>	<u>1500</u>	<u>5543</u>
Totals:	2070	3230	2074	7374

N.B. Unit 1,000 KL  
Year Fiscal Year.

#### Cabinet Planning Board - General.

As early as 1939 there existed in the Cabinet a Cabinet Planning Board to mobilize the Japanese economy. The accompanying chart entitled "Generalized Organization Chart for Cabinet Planning Board", gives an accurate enough picture of the Board's organization to present the oil picture:

The special advisory General Affairs Bureau headed by Dr. Miamoto was charged with the formulation of an economic policy for Greater Japan. Specifically the problem was to determine what essential materials were not contained in Japan proper in adequate amounts. These were determined to be the following: Oil, rubber, bauxite, iron, copper, zinc, and sugar.

Admiral Uehara, who was chief of the SE Asia Section of this General Affairs Bureau testified that in his section there were four men, one Sato, one Takahashi, both from the foreign ministry, one Tsumi from the Greater East Asia Ministry, and one Fujise from the Mitsui Bank. His problem was to develop a plan for the SE Asia area to supply the materials in which Japan was deficient. His and the other sections operated by daily committee conferences attended by representatives of the various cognizant ministries.



Both the cogizant ministry and the Cabinet Planning Board had agents in the field who reported back with special data. Various ministeries, however, had ample background data on the SE Asia area already compiled. Admiral Vehara's section developed a general plan called the South Seas Economic policy (Nanpo Keizai Shi Saku), which when completed was turned over to the General Affairs Section of the Greater East Asia Ministry. This plan involved such matters as the repair of oil facilities in Borneo, Sumaira, and Java, and as the cessation of Phillipine gold mining in favor of copper mining. The Admiral said the planned construction in the southern islands was accomplished under great difficulties labor materials, and machines having to be shipped from Japan.

#### Cabinet Planning Board - Oil Production Planning.

The 4th Bureau (Bu) of the Cabinet planning Board, whose general title is believed to be "Materials", was divided into two units. One unit, the Important Material Production Unit (Seisan Kakujū Han) had for its job the working up of plans to increase production. This unit produced the annual top secret plan for production and distribution (Sei San Kyok Kakujū Keikaku), some times called "Mobilization of Material Plan". The plan included the following information:

- a. Production Goal- for all processes
- b. Allocating of Materials.
  1. By Industry and Area yearly
  2. By use (synthetic etc.) yearly
  3. Of steel and steel products by area and industry.
  4. Of finished materials (drums etc.) by area and industry.
  5. Of finished materials (drums etc.) by area and industry.
- c. Production Plan by various types of producers by year and Monthly.
- d. Plan for installation expansion by industry and area.
- e. Allocation for government use.

#### Cabinet Planning Board - Oil Allocation.

The other material unit (Busudu Han) was charged with striking a balance between production and consumption for the whole Japanese economy, including Army, Navy and Civilian requirements. This unit was divided into several commodity sub units the second of which was Fuel, Hayashi, Yoichi headed this sub unit and the witness Kilmura was one of his assistants.

It was in the Busudo Unit that the important function of allocating oil between the Army, Navy and civilian users was supposed to take place.



(it should be understood that this allocation involved domestic and imported oil only, the oil produced in the south and used there rather than Japan was not considered by the Busudo Han), As described by Mr. Kiimura, the first step in the process of allocation was for the Fuel Bureau (Originally a sub-division of Commerce and Industry Ministry and subsequently of the Munitions Ministry) to submit a quarterly estimate of production and importation of crude oil with a schedule of refined products to be obtained from such sources along with a suggested allocation. Mr. Kiimura felt that the figure on Army and Navy imports that he received in this report did not represent the total Army-Navy imports. (preliminary examination of the Japanese records submitted by him which supposedly went to the Cabinet indicates this is true.) Both Army and Navy witnesses, however, testify that some one in the Cabinet Planning Board was given the lump sum estimated for Army-Navy imports. It is perfectly possible that this information was unknown in the lower echelons of civilian agencies but known by higher boards who were frequently Army and Navy Officials. If this surmise is correct, the important oil allocation was made elsewhere than in the Busudo Han. This leaves the Fuel Bureau or the Armed Services themselves as the important arbiters.

After the submission by the Fuel Bureau of its estimates and suggested allocation, conferences were held by the Cabinet Planning Board and attended by representatives of the Army, Navy and Fuel Bureau. Conferences remembered by Kiimura follow:

Army: Majors Takahashi, Takaname, and Harada.

Navy: Captain Hara, Lt. Comdr. Hashida.

Fuel Bureau: Omura.

These conferences were apparently held concurrently with similar conferences on other materials. If the oil conference were able to reach an agreement among themselves, their decision ultimately became the decision of the Cabinet. If, however, the conferees could not agree each conferee reported back to his office and the matter was then taken up at higher echelon levels until agreement was reached.

Individuals in the Fuel Unit of the Planning Board would from time to time ask individuals of the Army and Navy Ministries with whom they came in contact for more oil for civilians, but without avail. Mr. Kiimura admitted that no official request was ever made of higher echelon level, and the reason for this is quite possible that the higher officials in the Cabinet Planning Board were



Army and Navy officers, as for example the Chief of Mr. Kiimura's unit was Lt. Col. Mishima. It was also Mr. Kiimura's opinion that the Army and Navy figures were fixed in advance and that the civilians got what was left. Army and Navy representatives testified that the opposite was true especially toward the end of the war. It is probably that the actually important determinations were made in the Fuel Bureau, which undoubtedly whittled civilian requirements down to a minimum, which minimum presumably the civilians had to get or the Army and Navy would not get their desired war production.

Allocation of imported oil:	1942	1943	1944	Total
Army	519	730	430	1,679
Navy	370	820	580	1,770
Civilian *	540	1,064	490	2,094
Total	1,429	2,614	1,500	5,543

N.B. Unit 1,000 KL Fiscal Year

\* These figures seem rather too high to the interrogator. As yet no figures are available for distribution of all oil, imported and domestic (Takahashi reports domestic production as follows: 1942-641,000 KL 1943-616,000 KL; 1944-574,000 KL N.B., this includes Manchuria and Korea together).

The actual allocation made by the Cabinet Planning Board was made not only between the Army Navy and Civilians but between various categories of civilian uses while these civilian categories undoubtedly varied from time to time, the following list is probably typical: Aviation industry, ship building, industries designated for help in the top secret plans for production and distribution important industries determined by various Ministries needs of China, Manchuria, and South Seas, and general civilian needs. Allocation sheets are in the division files. When the allocations were decided upon they were transmitted to the Army, Navy and the Fuel Bureau, who thereupon made their own sub-allocations to meet their particular requirements, Army and Navy sub-allocation being described in Part VI.

General Mobilization Bureau. Munitions Ministry.

Toward the end of 1943, the functions and many of the personnel of the Cabinet Planning Board moved to the General Mobilization Bureau of the Munitions Ministry. In particular the allocation function continued to be performed by Mr Kiimura in the General Mobilization as it had been in the Cabinet Planning Board. Consequently if the General Mobilization Bureau is substituted for the Cabinet Planning Board in the previous discussion wherever the time involved is after 1943, a close approximation of the true situation will be achieved.



## VI Distribution of Army Fuel after Allocation by Cabinet Planning.

As in the case of overall allocation of oil the administration of the distribution of Army oil to the several operation units is divided between the central authority at Tokyo and the Southern General Army in Singapore. The whole overall picture is given in the appended chart entitled "Chart of Supplying Organization of Army Fuel" supplied by Col. Sato.

In the Tokyo set-up Major Takahashi appears to be the principal pivot in the Army oil distribution machine. He supervises distribution to the Army Units in the areas included by the Home Islands, Manchuria, Korea, China, Nanpo Shoto, Nansei Shoto, Formosa, Marianas, Carolines, Marshalls and New Britian (Motor oil only). The general procedure is for these several units to report their oil requirements to him most of them reporting through the ordnance Board and the Air Service Board. These requirements are supposed to be made after consideration of GHQ's general plan and a general war materials plan. The position of the Fuel Section in the Army Ministry is shown in Appendix I.

The various requested requirements are compiled by Major Takahashi and adjusted to conform with the GHQ policies on allocation between types of units and to conform with the probable supply. After, or during this adjustment, Major Takahashi might confer with the Air Service Board or perhaps the Ordnance Board of other important units. When the requirements were finally adjusted they would be presented to the Army-Navy Oil Committee for consideration in making a tentative allocation there. From this committee the tentative allocation there. From this committee the tentative allocation would move to the Cabinet Planning Board as described in Part V.

Major Takahashi stated that on occasions the requested requirements had to be cut by as much as one half and that it was possible to make a fairly accurate estimate as to the amount of oil available and the ratio of allocation between Army, Navy and Civilian users. For example, Col Sato said that Americans couldn't imagine the difficulties caused by the inadequacy of the supply of oil and that in 1944, for example, the Army Air Forces required 40,000 KL monthly, but that the supply was 15,000 KL Monthly. As a consequence of the shortage of avgas in 1944 the General Staff was compelled to cut down combat air patrols and reconnaissance and training was reduced to a minimum. Tank training also was seriously limited.

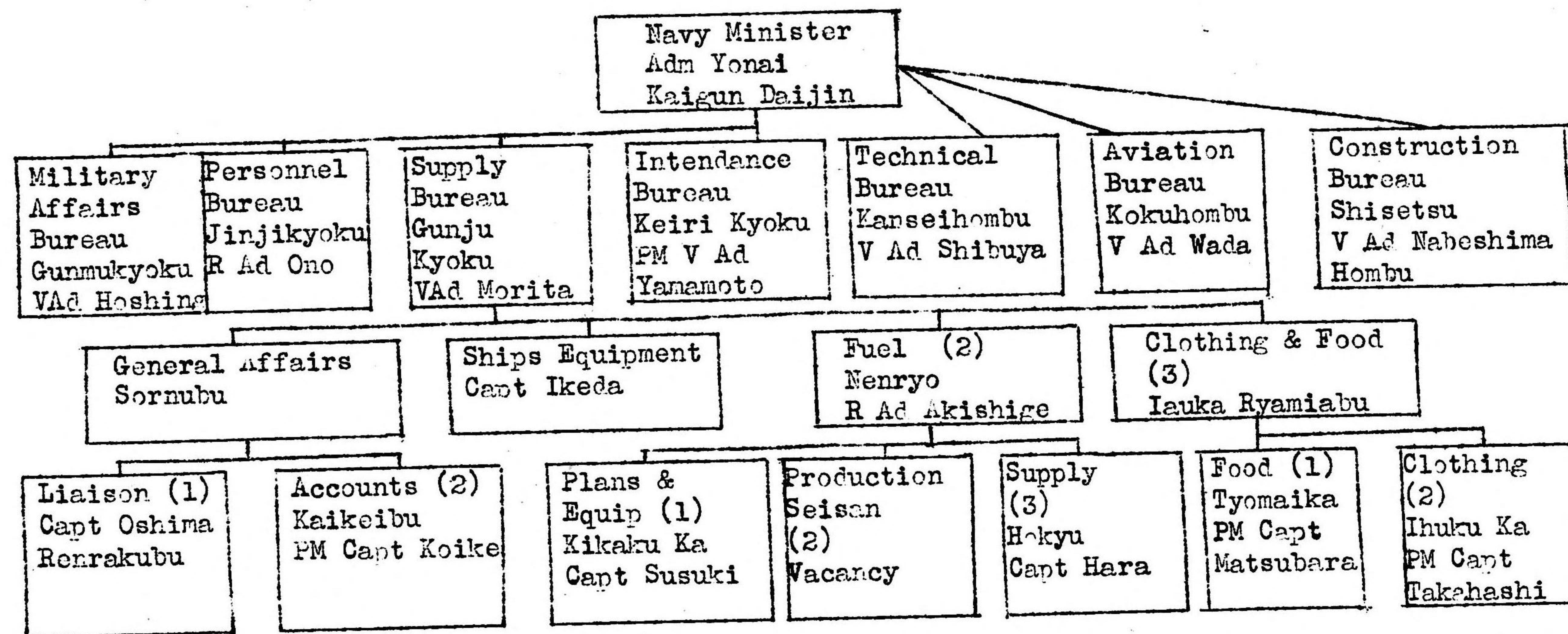


After the allocation to the Army had been made by the Cabinet Planning Board, Major Takahashi made a tentative distribution of the amount allocated. This distribution is considered by interested parties and such changes and compromises made as required. Distribution is then made down the same lines as the requirement requests came up.

VII Naval Distribution of Oil after Allocation by Cabinet Planning Board.

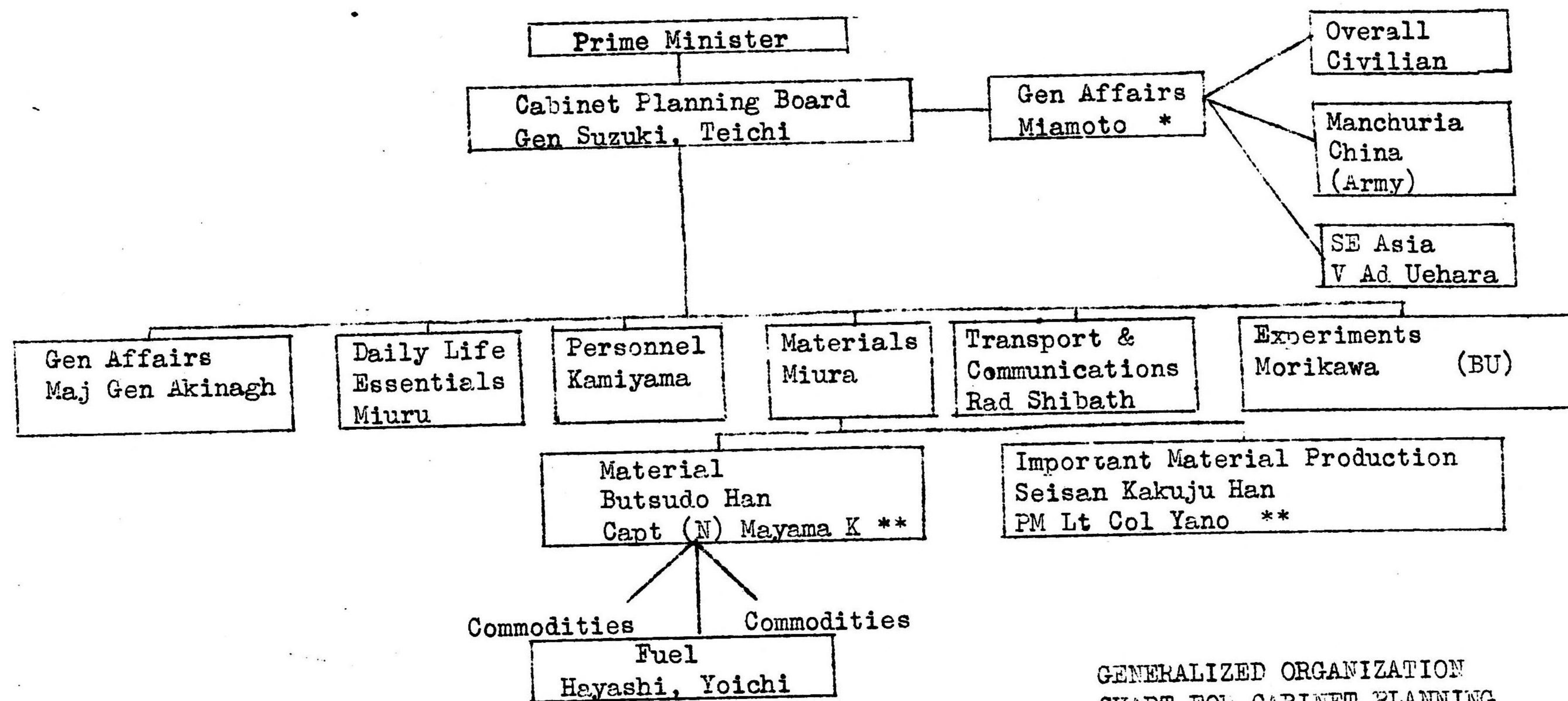
No detailed survey was made of the Navy system of submission of requirements and distribution of fuel after allocation of quota. It is believed to operate in about the same fashion as the Army System. It was testified that with respect to avgas requirements the 2nd Division of Operations (?) made estimates which were submitted to the 1st Section of the Military Affairs Bureau, where they were checked and then submitted to the Bureau of Supplies and that Captain Yoshida of the 3rd Section of the Naval Military Affairs section was the liaison officer with the General Mobilization Bureau. It was also testified that Captain Hara, Chief of the 3rd (Distribution) Section of the Supply Bureau controlled all the distribution of Navy fuels.





NAVY MINISTRY SHOWING  
FUEL ORGANIZATION  
ABOUT END OF WAR





GENERALIZED ORGANIZATION  
CHART FOR CABINET PLANNING  
BOARD ABOUT 1940-1943

\* Reported dead \*\*Before May 1940, Joint control Butsudo: Col Mishima Capt (N) Hijikata, Seisan PM Lt Col Yano Capt (N) Hijikata.