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

INTERROGATION NO: 383

PLACE: TOKYO
DATE: 10 Nov 45

Division of Origin: Overall Economic Effects.

Subject: Admiral TOYODA, Teijiro.

Personnel interrogated and background of each:

(See Biographical Sketch following summary)

Where interviewed: Meiji Building, Room 748.

Interrogator: Mr Baran

Continued by - Lt R. H. Dorr, USNR
Mr T. A. Bisson

Interpreter: Mr. YAMADA - (Assistant to Admiral TOYODA)

Allied Officers Present: Admiral Ofstie

Summary:

The interrogation of Admiral Toyoda dealt with four major topics; economic control policies, foreign policy, Japan-Manchukuo differences over steel industry imports from Manchuria, and the role of the Cabinet Advisers Council.

1. Economic Controls: In general, Toyoda expressed the views of a government executive with a strong pro-Zaibatsu bias. The "unified control" needed in 1941 should be achieved through the Control Associations, subsidies, etc. Unusually cautious in attributing blame to the Army for control difficulties. As Munitions Minister, he wished to extend the Ministry's control over whole economy, including Army-Navy spheres.

Emphasized basic importance of coal and steel, and attributed Japan's major wartime difficulties to lack of these items. Constantly put steel output at 4 million tons, but added another million tons for Manchuria. Felt Japan's resources mobilized fairly well in view of this basic handicap.

Dodged question as to whether Japan's economy was fully mobilized and directed toward defeat of China in 1937-41, but stated that the consensus of official opinion was that even the capture of Chungking would not end the war as the Chinese would retire further into the interior.

2. Foreign Policy: Claimed his mission as Foreign Minister was to conclude the negotiations in Washington successfully by: (1) withdrawal of Japanese forces from the continent; and (2) weakening of the tripartite tie with Germany and Italy. Gave no satisfactory explanation of how he could accomplish these ends if the army would not permit their fulfilment. He did indicate, however, that had Premier Konoye reached a personal agreement directly with President Roosevelt it could possibly have been forced on the Army after Konoye's return to Japan from such a meeting. The strength of this argument is weakened

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by his statement that both himself and Konoye felt they might be assassinated if they came back with an "amirable solution". It is possible, nevertheless, that Konoye was trusting in Imperial support to force the Army's agreement to any such agreement.

3. Japan-Manchukuo relations re steel industry: Said Japan received 500,000 tons, or about 40%, of Manchuria's annual production of 1,300,000 tons of pig iron. Proportion decided by complicated negotiations. Japan could not force the Manchurian authorities to yield more, even though the Manchurian armies were largely passive during the war.

4. Cabinet Advisers Council: Stated that Cabinet Advisers were asked to find answer to the issue raised by Fujiwara's suggestion to Tojo that control over aircraft production be unified. Denied that consideration of this problem led the Cabinet Advisers to play a major role in formation of the Munitions Ministry.

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BIOGRAPHICAL SKETCH

TOYODA, Teijiro - Admiral (retired) Minister of Munitions

Born: August 1885; Wakayama-ken; e.s. of TOYODA Shintaro; m. Mitsuko, e.d. of Vice-Admiral TAKEDA Hideo, prominent Mitsubishi director.

Career:

- 1905 Graduated from Naval Academy
- 1906 Commissioned 2nd Lt, Naval Staff College
- 1934 Chief of the General Affairs Section of Naval Technical Department.
- 1936 Chief of Kure Naval Arsenal
- Dec. 1937 Commander-in-Chief of Sasebo Naval Station, Director of Naval Construction Department
- 1938 Director of Naval Aviation Headquarters
- Sept 1940 Appointed as Vice-Minister of Navy, Serving under Navy Minister, Admiral ODAWA Koshino, in 2nd KONOYE Cabinet. Listed as Vice-Admiral
- May 1941 Promoted to full Admiral; retired from active service.
- Apr 1941 - Jul 17 '41 Minister of Commerce and Industry in 2nd KONOYE Cabinet.
- July 1941 - Oct 1941 Foreign Minister and concurrently Overseas Minister in 3rd KONOYE Cabinet.
- Dec 1942 Listed as President of Nippon Iron Works
- Dec 1942 Appointed President of Iron and Steel Control Association (or Society or Compan) which was established November 20, 1941 as the first of the Control organizations of industry.

TOYODA succeeded HIRAO Hachisaburo

NOTE:

Purpose of Iron and Steel Control Company was to unify management of iron and steel industry. By March 4, 1943, Control Company included 49 companies of which 38 were manufacturing companies, 4 were raw material or marketing companies and 7 companies from Manchuria.

Nippon Iron (same as Nippon Seitetsu KK or Japan Iron Works) and Nippon Steel and Tube Company are considered most important. Nippon Iron is half National Policy Company.

Feb 1943 TOYODA was serving as President of Nihon Seitetsu Kabushiki Kaisha and Nippon Iron Manufacturing Co.

Mar 17, 1943 Appointed member of Cabinet Advisory Council at date of Council's establishment. At the same time TOJO Cabinet established War Time Economic Council, which included all Cabinet Advisors. TOYODA thus also served on War Time Economic Council.

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- 1944 Still President of Iron and Steel Control Company.
- July 25, 1944 Appointed Councillor for Board of Technology.
- Oct 28, 1944 Retained as member of Cabinet Advisory Council
in shake-up.
TOYODA, YUKI Toyotaro, YAMASHITA Kamesaburo and
AIKAWA Yoshisuke were the only ones retained out
of a list of 14.
- Mar 7, 1945 Appointed Advisor to Munitions Ministry.
- Apr 7, 1945 Munitions Minister in SUZUKI Cabinet.

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- Q. Admiral, I understand that you are not only an admiral but an economist, so I want to discuss with you certain economic matters. As Minister of Commerce in the second Konoye Cabinet, would you describe the economic measures taken at that time to strengthen the mobilization of the Japanese war economy. Japan was at war with China and at this point the possibilities of war with the United States were already being considered. What were the economic measures which you contemplated at that time to provide for a fuller mobilization of Japanese resources?
- A. The war with China was going on at that time; however, the government authorities did not think that it was going to develop into a war with America. But they were all anxious to put an end to the Sino-Japanese trouble as soon as possible. Since Japan had a limited amount of raw materials at hand it was necessary at that time to have some kind of control over the production system in order to secure the utmost amount of manufactures. Admiral Toyoda had certain views of his own, in regard to this control question. There were no Control Associations at that time but while Admiral Toyoda was Minister of Commerce and Industry, he created a sort of Control Council as the fore-runner of the Iron and Steel Association which was the pioneer in Control Associations covering all kinds of business activities.
- Q. When you became Minister of Commerce and Industry do you think that Japan produced at its maximum level or do you think that there were many possibilities to expand the economic output?
- A. Admiral Toyoda believed at that time that Japanese production could be expanded further if we extended this Control Association program to the various branches of industry.
- Q. Why did you believe that the Control Associations would help to increase the output to the maximum? What bottlenecks or what troubles in the economic system did you feel had to be eradicated?
- A. In the free economic structure that existed in Japan, there were unnecessary rivalries in acquiring raw materials, the amount of which was very limited as far as Japan was concerned, and also in obtaining necessary transportation facilities and a few other things. Therefore, Admiral Toyoda thought the acquisition of those facilities and raw materials should be put under one unified control.
- Q. Do you think that at that time the shortage was in raw materials or do you believe that an expansion of industrial capacity was also necessary?
- A. Both were necessary.
- Q. In what particular fields did you think that expansion of capacity was required?
- A. Every field of manufacture required expansion. Japan produced some 40 to 50 million tons of coal and approximately 4 million tons of steel, which wasn't enough to meet the demands that came from military operations. Therefore, every field of industry needed expansion in these capacities.

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Q. When such an expansion program is developed of necessity you have to have a priority system. How did you envisage this priority system? Where was the effort mainly directed?

A. Admiral Toyoda firmly believed that iron and coal constituted the fundamental bases of all industry in Japan. Therefore, he decided to solve these questions in the iron, steel and coal fields. However, before he could take up other branches of industry, he had to resign.

Q. Do you think that, for instance, coal output in Japan proper could have been increased considerably or was the only possibility to increase it by expansion of imports?

A. The Admiral says at the time he became Minister of Commerce, the production of coal in Japan proper reached its height. However, with more effort on minor points, they could have enhanced the production of coal a little further. He had in his mind the enhancement of coal output in Manchuria.

Q. Do you think the technological maximum of coal output was reached or do you think that further expansion would mean production of high-cost coal? Do you think that you would have to bring in sub-marginal mines, mines which were very expensive and in which you would have to dig coal deeper?

A. At that time, he thought that it was necessary and possible to enhance the coal output at the expense of economy. In other words, it might be more costly; however, he thought he had better have more coal.

Q. Did the private coal miners, the coal business, object to this effort or did they insist on subsidies?

A. Toyoda wanted to solve the high-cost problem by giving subsidies.

Q. You say you wanted, or you did? Did you initiate a subsidy?

A. It's a natural result. In other words, they had cost-accounting records presented to the Commerce and Industry Ministry from each private mine owner and the consensus of opinion, based upon these reports, was in favor of a government subsidy.

Q. Was the institution of subsidies effective in increasing output?

A. Yes, decidedly.

Q. Did you believe, at that time, that the war output of the heavy industries, in general, could be significantly increased by shifts from the civilian economy?

A. At that time Toyoda did not think of war with America. Therefore, he also encouraged the civilian industries. What he had in mind was the enhancement of the general level of Japanese industry, be it war-time industry or civilian industry. For instance, he also wanted to encourage trade expansion. What we export and what we import should be a source of encouragement to the home industry. Therefore, he set up a sort of control or regulation council of trade which decided the types of material to be exported or imported and things which were detrimental to the industry.

- Q. Did you have in mind the German system--the German type of export-import control?
- A. He had nothing of that sort in mind. He had his own views on various phases of industry in those days. As his life was mostly confined to that of the Navy he didn't have much time to study economic systems and control organizations in foreign lands. Therefore, everything he did came out of his own convictions.
- Q. Japan at that time was at war with China. Do you think that the Japanese economy was fully mobilized for this war? Did you think it was a fully-mobilized war economy at the time when you became Minister of Commerce?
- A. He had in mind two points. One was to put an end to the Sino-Japanese war on the continent as soon as possible. The second was the enhancement of Japanese industry. He doesn't know whether those two points had connection with each other or not.
- Q. There is one thing which many of us in the United States and elsewhere couldn't very well understand. That is why Japan did not actually defeat China in those four or five years of war because Japan, compared with what Japan did in terms of military might in the Pacific in the first half of 1942, didn't do anything of comparable strength in China. What is your explanation?
- A. Well, Admiral Toyoda did not know much about military operations on the continent at that time. However, it was the consensus of opinion on the part of authorities here that Japan must occupy the Chinese continent as far as Chungking in order to defeat China completely. However, this was a very difficult task on the part of Japan. There were also discussions among the authorities then to the effect that even though Japan captured and conquered the area as far as Chungking from the coast, Chinese forces might also resist against Japanese forces from Chanto and other inner parts of China. Therefore, there would not be an end to this entanglement, he thought. As far as this question is concerned, the Admiral thinks some high-ranking authorities in the Army will be able to answer you satisfactorily.
- Q. The Army was a very large machine which had by 1941, if my information is correct, 5 to 6 million men under arms. It was a very powerful army. There was also the Kwantung Army. What did they all do? The Admiral says even if they had taken Chungking, it would perhaps have done no good. Why didn't they take Chungking?
- A. Well, the Admiral doesn't know much about it as he was in the Navy, and is just trying to point out that there were discussions among the government authorities and the Army in regard to this.
- Q. What were these discussions? What were the lines along which it was discussed?
- A. At that time he wasn't on the General Staff which handled military operations and strategy and he regrets that he doesn't know much about it.
- Q. Did such matters come up at all in the Cabinet meetings, for instance, of Prince Konoye?

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- A. Cabinet ministers could not touch upon operations, only chiefs of the general staff.
- Q. What about the Prime Minister, like Prince Konoye. Was he drawn into such deliberations? Was he part of them?
- A. He thinks probably even Prince Konoye, the Prime Minister, had very little to do with it. The Prime Minister does not attend the deliberations of the General Staff.
- Q. Later on, when you became Foreign Minister, what was the specific mission which you hoped to accomplish as a Foreign Minister?
- A. The specific mission as Foreign Minister was the satisfactory solution of American-Japanese problems.
- Q. How did you envisage this solution? What formula did you personally imagine could be developed in order to solve this?
- A. Negotiations were going on at that time when he became Foreign Minister, with Ambassador Nomura and Secretary of State Hull. Therefore, his mission as Foreign Minister was to do his best to bring the negotiations in Washington to a satisfactory agreement.
- Q. How did he hope to do it? What were the terms under which he hoped to achieve such an end?
- A. There were two main problems which he thought had to be solved, but the solution was not reached.
- Q. What were those two problems?
- A. The first one was the withdrawal of Japanese forces from the continent. The second one was to weaken the tripartite tie of Japan, Germany and Italy.
- Q. But, in the meantime, while this was going on, Indo-China was actually invaded. Did you feel that this move of taking over Indo-China would help the negotiations with the United States?
- A. In regard to the French Indo-China question, the Japanese aim of sending troops down there was solely for the purpose of solving Sino-Japanese troubles as soon as possible, for Japan thought that in order to put an end to the trouble, Japan had to attack China through French Indo-China. The best way was to send troops to Kunming through French Indo-China.
- Q. But if at the same time the possibility was considered of withdrawing troops from the Chinese continent, how did those two jibe? How did they fit together?
- A. They had an understanding with the American authorities in that respect.
- Q. They had what?
- A. On that point there was an understanding on the part of the American authorities.

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- Q. What understanding?
- A. Sending troops through French Indo-China to Kunming to attack China.
- Q. You mean it was approved by the American authorities?
- A. The Japanese explained it to the Americans with regard to French Indo-China,.....
- Q. This explanation was regarded as satisfactory?
- A. Well he thought America approved it. The trouble did not occur so much by sending troops to French Indo-China but when Japan sent the troops farther south trouble arose.
- Q. Were proposals ever made to Washington, as far as the Admiral knows, to withdraw troops from Indo-China and from the continent?
- A. He thinks Japan made such a proposal.
- Q. Through Ambassador Nomura? Was such a proposal made with the full understanding and cognizance of the Army or did the foreign minister work on his own?
- A. He thinks he had the Minister's understanding.
- Q. In other words, Tojo, who at that time was the Minister of War, was in agreement with the withdrawal of the Army from the Chinese continent and Indo-China. Do I understand you correctly?
- A. Tojo did not agree.
- Q. So, my first question was; was it done in agreement with the Army?
- A. Well, in the long run, such a delicate question was left unqualified.
- Q. I don't quite understand it. In this period, from July 1941 until October 1941, the Admiral was the Foreign Minister. That was a period when the most crucial negotiations between Tokyo and Washington took place. My understanding, thus far, is that in this period the proposal was made to withdraw troops from Indo-China and China. Is this understanding correct so far?
- A. Your understanding is correct.
- Q. And this proposal to Washington was made with or without Tojo's approval?
- A. Well, he thinks he had the necessary consent from him before he decided to make the proposal to the United States.
- Q. Well, in that case, what are the reasons for failure in the opinion of the Admiral? Why did those negotiations break down, if Indo-China was to be evacuated and China was to be evacuated and the tri-partite pact was to be weakened? That was, to my knowledge, all that Roosevelt and Hull at that time requested. Why did the negotiations break down?

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A. The general situation on this side of the Pacific turned from bad to worse in the meantime and, therefore, they could not carry out the kind of things these proposals implied.

Q. Why not? What is meant by the "general situation"?

A. Such questions as sending troops farther down south and others arose in the meantime.

Q. Was that done by the Army independently or did the government support it?

A. The government had little to do with it. The Army thought it necessary from a strategic point of view and did it.

Q. But how could you as a responsible statesman conduct foreign policy when you were representing firms, the capital of which was under the control of somebody else? Was that the situation? And could you actually make statements which you were able to carry through or were you handicapped in your policies by what the Army did?

A. It is a delicate point and very hard to explain under the circumstances that existed in Japan in those days. The Army took a high hand.

Q. In the Imperial conference on the 6th of September, the conclusion was reached that negotiations would either be concluded favorably or Japan would go to war against the United States.

A. What was discussed at that conference was to promote the negotiations as much as possible; alternatives were not discussed at that conference.

Q. Well, after this conference, Admiral Nomura received his instructions for further conduct of those negotiations. What terms was he entitled by this conference to propose to the late President Roosevelt and Cordell Hull?

(Interpolation by Toyoda. In sending troops as far as Kuning, Admiral Toyoda did not mean that the United States gave its approval but it was explained to the United States and he thought the United States understood.)

A. Admiral Nomura didn't receive any further terms. What he was instructed was to continue further negotiations as best he could and Admiral Toyoda doesn't recall that Nomura received instructions from the government here to bring about the meeting of President Roosevelt with Prince Konoye, Premier of Japan, as soon as possible. Admiral Toyoda had this in mind at that time; that the quickest way to solve American-Japanese questions was to ask Premier Konoye and President Roosevelt to meet and talk it over and solve it upon their own responsibilities.

Q. When high statesmen meet, usually most of the questions are decided before they meet. That is the usual procedure. All fundamental problems are worked out through channels, then they come and give the whole thing a final conclusion. In other words, for the President and the Premier to meet, there must have been a formula, terms must have been more or less outlined so that they could sit down and actually conclude

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the agreement. Now, what were the terms which the Japanese were able to offer? Was Nomura entitled to offer evacuation of Indo-China and evacuation of China or did he have no such powers with him?

A. Withdrawal of troops from the continent could be solved if those two representatives of both governments met each other and talked direct. That was Konoye's wish also.

Q. Do you believe that if Premier Konoye had gone and had committed himself, that the Army was willing to back him up? I mean would the Army do what he would have agreed to do or was Konoye not actually representing the Army and Tojo?

A. He thought that if a satisfactory conclusion was reached at such an important meeting, that conclusion would have a great influence upon policy in the Pacific.

Q. The Admiral said earlier that after Indo-China was occupied the Admiral would explain the necessity for the occupation of Indo-China to the United States. The United States disapproval of this move was indicated by the embargo on oil and scrap. How was this move interpreted here? What was the reaction in the cabinet?

A. He thought it was a sign of disapproval on the part of the United States and he thought it couldn't be helped once the thing had happened.

Q. It couldn't be helped?

A. As long as the whole situation was brought up to that point, it couldn't be helped.

Q. You mean that after the freezing of assets and the embargo, you had the feeling that war became inevitable? What did you mean that it "couldn't be helped"?

A. Nomura lost his hope for an amicable solution but didn't think of the inevitability of war.

Q. Could the Admiral explain to us what happened in the second Imperial conference in October, the conference which preceded the resignation of the Konoye cabinet: When did this conference take place, who was present, and what was discussed there?

A. He doesn't remember that such a conference was held.

Q. Were you present at Konoye's home? Konoye had a meeting at his private residence on October 12th and a few days after this meeting he resigned. Could you tell us what happened in this particular meeting with respect to those questions?

A. They were brought together to discuss the prospects of a solution to American-Japanese troubles.

Q. Who was present?

A. That was a very informal gathering at the Premier's private residence and those present were the Premier, Ministers of War and Navy, Admiral Toyoda as Foreign Minister, Lt Gen Suzuki, and Teichi, President of the Cabinet Planning Board.

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Q. What happened at this meeting? What was the result of this meeting?

A. The result of this meeting was the resignation of the Cabinet. They couldn't come to an agreement.

Q. On what?

A. There were various views on the prospects of solving American-Japanese troubles and they couldn't come to an agreement.

Q. What were your own views on that? What was your own impression? How did you feel?

A. He firmly believed that the American-Japanese negotiations should be continued until they were brought to an amicable solution.

Q. Who was of a different view?

A. You can well imagine.

Q. What were the arguments of Minister Tojo?

A. He doesn't remember clearly but he recalls that Tojo apparently said there was very little prospect of an amicable solution.

Q. Why?

A. He couldn't tell why. You would have to ask Tojo himself.

Q. But what arguments did Tojo present? What did he say?

A. He didn't say very much but, anyway, he thought there was very little prospect of success in the negotiations.

Q. What did General Suzuki feel about it?

A. General Suzuki didn't say much either.

Q. What was the attitude of the Minister of the Navy?

A. The Minister of the Navy didn't say much either.

Q. It was a very quiet meeting?

A. Anyway, at that time Admiral Toyoda as Foreign Minister, explained the negotiations that were going on at Washington and pleaded that the negotiations be continued. He did most of the talking at that time.

Q. Let me understand one thing precisely. I don't know much about it. I would like to learn and understand. The negotiations were conducted in Washington at that time and you, as Foreign Minister, must have pleaded with the Army to make commitments in Washington for the withdrawal of troops in China because that was clearly the most important condition for successful negotiations. Do you think that Tojo, Suzuki and the Navy Minister would have agreed to that or not, because that was after all the main issue involved or did Tojo announce that he would never withdraw the troops from China regardless of what negotiations you would conduct?

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- A. (Interpreter) You mean you want to know whether he thought they would agree?
- Q. What was their position on that and what did he think they could do?
- A. Admiral Toyoda firmly believed that for the solution of such a big problem, Prince Konoye as Premier should assume all responsibility and talk the matter over with President Roosevelt directly. He thought that was the best way of solving the problem and he said the three generals and the admiral didn't say much about those things at that time. The Admiral thinks that after the conference, that is, later, Premier Konoye apparently called those high-ranking officers in the army and navy privately and talked with them about the situation and as a result of such private conversations with them, Premier Konoye apparently reached the conclusion that he had to resign.
- Q. Well, to make it quite clear, in order for Konoye and, for that matter, for you to achieve an amicable solution with the United States -- and I am convinced that you personally were trying to achieve such an amicable solution -- in order for you to do it, you must have some capital in your hands with which to go to the store and buy. This capital could be given to you only by Tojo because if Tojo didn't give you any money, you couldn't buy. If Tojo didn't give Konoye and you the permission to go and say we are accepting certain conditions, like withdrawal of troops, there was no point in going to see Roosevelt, because without Tojo's signature on the bill it was not worth the paper it was printed on. Well, did Tojo refuse this permission or not?
- A. It amounts to this. If Konoye proposes to go some place to meet President Roosevelt, the Navy and Army were supposed to send a high-ranking general and admiral as representatives and if they send those representatives as Konoye's aide-de-camps, that would mean that the navy and army representatives would also represent the approval and the opinions on the part of the branches they represent.
- Q. Well, did they refuse to send such representatives?
- A. They were agreed. They agreed on these two points: Konoye's trip to a certain place to meet Roosevelt, and sending a full-ranking admiral and full-ranking general as Konoye's aide-de-camps. The Army and Navy both agreed on these two points, that such a meeting should take place and that a full-ranking general and admiral should attend the meeting.
- Q. Did they explain what conditions Konoye and those representatives would be permitted to accept? How far were they permitted to go in those negotiations?
- A. It all depended upon Premier Konoye's determination at that time.
- Q. You think that Konoye was not determined enough, or what was Konoye's position? Why did he resign?
- A. Admiral Toyoda doesn't know. He can't say about Prince Konoye's determination at that time. However, he firmly believed in and he regrets that the meeting with Konoye and Roosevelt did not take place. However, both Admiral Toyoda and Prince Konoye

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were of the opinion that after an amicable solution to negotiations with Roosevelt, if they came back to Japan they were sure of being assassinated.

Q. That explains a certain amount of reluctance on the part of Konoye to travel under such conditions?

A. No, Konoye was ready to face such a situation after his return.

Q. Our understanding in Washington was that the American authorities were willing to have such a conference if previously certain fundamental bases of negotiations would be laid down. President Roosevelt was willing to meet Konoye if, previously, the ground was at least laid in the sense that three or four fundamental points would be agreed upon. President Roosevelt didn't want to go into a conference without knowing at all whether there was the slightest chance of getting the most important points clarified. Well, did Nomura when he was suggesting such a meeting to Roosevelt - Nomura was very well received by Roosevelt - did Nomura make promises that withdrawal from China and withdrawal from Indo-China would be something which could be at least considered?

A. The question was Prince Konoye's conviction, that is, he firmly believed that he would assume the whole responsibility for the questions that could not be solved in Japan proper, and go over some place outside Japan and solve them.

Q. When the Army was considering the possibility of a war -- because on September 6th the Army took the position as I understand it that if negotiations failed Japan would go to war -- what kind of strategic plan did the Army have? How did they want to fight this war?

A. Toyoda had no idea as to the probable strategic operations of the army.

Q. Well, the Admiral must have known personally very many members of the Navy. What do you think was the concept of the Navy as to how this war could be conducted?

A. He had nothing to do with the strategic operations.

Q. What do you think was the economic position of Japan at that time? Did Japan have an economic potential which would permit it to go into a major campaign like that?

A. Well, taking everything into consideration, it was his conviction that American-Japanese negotiations must be carried to an amicable solution through and through.

Q. Well after the war broke out, did he believe that it would be a long war?

A. Yes.

Q. He thought it would be a long war and, therefore, the war should be avoided?

A. Not only that -- from the beginning of these negotiations it was his conviction that should a war break out between Japan and America, it would be one of the greatest calamities to mankind.

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- Q. Well, when the war started in December 1941, how did you personally expect this war to run? As a man with an exceptional naval and economic background, how did you believe this war would develop?
- A. He thought this war would bring great calamity to mankind and at the same time, a great danger to Japan.
- Q. Well, in the strategy which was employed and with the outer line occupied, did you think that this line could have been held?
- A. Personally he thought the strategic line extended a little too far.
- Q. Do you think that the internal war-economy mobilization plans which were in existence at that time were properly set up? Was there a sensible organization of Japanese economic resources or would you personally have liked a different conduct of the war from the economic standpoint?
- A. Well circumstances in those days did not permit him to give a free comment on the way Japan conducted the war. Anyway, it all amounts to the fact that the war proceeded too satisfactorily at the outset for Japan.
- Q. You mean it created too much optimism, is that what you mean?
- A. Yes.
- Q. Now if you take, for instance, the problem of allocation of resources between Army and Navy. Do you think this allocation of steel, of manpower, was correct or do you think that there was something wrong with it?
- A. Well now that the war is over, we can reflect upon what we did during the war. However, while the war was going on, what the Army and Navy thought best should have been followed by the entire nation.
- Q. No, I mean right now. Looking back now, do you think, for instance, that the way in which the Army and Navy divided between them the available output, that that was the correct way?
- A. Looking back, he says it can safely be said that this war required the enhancement of Japanese national strength but activities to that end were not enough during war-time.
- Q. What do you think could have been done to strengthen the Japanese war mobilization? What gaps could have been usefully filled?
- A. Well, in a long-term war it was necessary for us to maintain fighting strength at its height in all phases of life. The maintenance of fighting strength at the front might have been satisfactory but in order to maintain national strength, or to enhance it, necessary war materials had to be distributed to those phases of industry and life that required them. That sort of distribution was not satisfactorily done.
- Q. What do you mean? Do you think, for instance, that any specific program should have been pushed more strongly, let

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us say aircraft, ships, ground equipment, to take just three examples. Do you think that in any of those phases a wrong allocation of resources was effected or what do you mean?

A. In that respect the Admiral personally thinks that the government did fairly well in view of the fact that Japan had to meet all the war requirements with a meager output of steel of only 4 million tons. Therefore, he thinks that the government did very well in stressing the necessary categories.

Q. Do you think that 4 million tons is all the steel that Japan had? I mean counting everything, including Manchuria in this figure?

A. That is 4 million tons, the amount of steel output in Japan proper and Korea, not counting Manchuria. Even counting Manchuria, it was less than 5 million tons.

Q. Were the people here making comparisons between this steel potential and the American steel potential?

A. It does not compare with the American potential.

Q. How could one conceivably go into war with 5 million tons as against 100 million tons?

A. However, the United States wasn't using 100 million tons solely in executing the war against Japan.

Q. Did you believe that if a strong initial blow was struck that the United States might then begin to negotiate? Do you think that was the idea in the back of the minds of those people in favor of war?

A. That was the only way. There was no alternative for Japan.

Q. Was it the only way? An alternative would have been to get out of China.

A. No, I mean as long as the war had to be declared, that would have been the only step Japan could have taken, a big blow at the outset.

Q. From the very beginning, it was pretty clear that the war against the United States would be mainly a naval war. I mean that was obvious, simply geographically. Why did Japan maintain in this situation such a big ground army which presumably must have been a drain on national resources?

A. That is the reason why the admiral held that the war should never break out between America and Japan.

Q. That is not the answer to my question. The admiral said before that he thinks on the whole the government allocated resources correctly, that on the whole it was a pretty intelligent distribution of things between their most important users. So now I am asking whether this one basic distribution --

A. Unfortunately, Japan had to fight one war on the sea and at the same time had an enemy on the continent.

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- Q. Who was the enemy on the continent? Do you mean China or Russia?
- A. There was a little misunderstanding at this point. The Admiral wanted to point out that Japan was a sea power, that is, an island nation, but at the same time, Japan was so closely situated geographically that she had to be a part of a continent and as a nation required also the mobilization of land forces.
- Q. I understand that. In this period when Japan, according to what the Admiral said, had to concentrate all its national resources on the war against the United States, why was the ground establishment kept on such a high level? Why did they not devote all they had to the navy which was at this point the most important single factor?
- A. Japan had to fight against the Chinese on the continent at that time.
- Q. Well, for instance, there was a very big and strong Kwantung Army. This Kwantung Army hasn't been performing a great deal. They had been sitting in Manchuria. Why did they maintain such tremendous establishments?
- A. He is not in a position to make a comment on that. It was all up to the General Staff.
- Q. Again, do you think personally, as a citizen, not in your official capacity, that the Army wanted to maintain itself as a large power regardless of the necessities of war -- that there was rivalry between Army and Navy?
- A. Unfortunately for Japan, the fact was that there was a slight lack of perfect harmony between navy and army.
- Q. This would actually mean that the allocation of resources for war was not entirely intelligently conducted but was determined by such non-military considerations or considerations not pertaining to the best conduct of the war. Is that correct?
- A. That might be true to a certain extent. The conditions in Japan were very complicated and still are very complicated, so it is very hard for anybody to apply them theoretically. From a truly unbiased point of view, it is very difficult to carry on discussions on this question for the purpose of clarification.
- Q. Later during the war you became Munitions Minister. Could you perhaps describe to us as freely as you choose, your work as Munitions Minister. What did you do in that capacity?
- A. Well, at the time he assumed that portfolio, the influence of the Munitions Minister extended over raw materials but not to the implements of war in general. Therefore, he wanted to expand it to all phases of implements of war so that Japanese war production would be enhanced. Admiral Toyoda remembered reading in Lloyd George's memoirs and hearing from Lloyd George's friends that when he became Munitions Minister at the time of the first World War, he was rather distressed at the fact that the power of the Munitions Minister was so limited. Therefore, he extended

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the control of the Munitions Minister to all the implements of war of the Army and Navy. In so doing, he could enhance the war-prosecuting strength of the British nation. Admiral Toyoda remembered that and he wanted to do the same as Munitions Minister in Japan.

Q. Did he succeed in doing it? When did he decide he wanted to?

A. When he became Munitions Minister in April 1945.

Q. Before that, as far back as March 1943, he had been one of the members of the cabinet advisory council. Now what type of problems was he called upon to deal with when he was such a member?

A. His mission was mostly for the enhancement of iron and Steel production.

Q. Increase of iron and steel production. What was the limiting factor on iron and steel production at that time?

A. He thinks some members of the Bombing Survey groups have very detailed records on that.

Q. Well I just wanted to know the things that stood out in his mind?

A. Nothing in particular. Anyway, transportation difficulties was one.

Q. Transportation of what?

A. Raw materials.

Q. What raw materials?

A. Coal and oil.

Q. From where?

A. China and Korea to the mainland.

Q. How about from the south?

A. We couldn't get it anyway.

Q. In 1943? That isn't what the records show.

A. Very few raw materials were received from the south in 1943. Very negligible, only a little bit of ore from the south then.

Q. Was the iron and steel industry using its rolling capacity fully in 1943-44-45?

A. No, not fully.

Q. Why not?

A. He has been interviewed twice on these points and he would like to have you refer to this testimony.

Q. I just wanted the general fact.

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- A. Well it was due to the fact that we did not get sufficient supplies of coal and other raw materials, which was caused by the inconvenient sea transportation facilities.
- Q. Why wasn't more pig iron brought over from Manchuria?
- A. A lot of pig iron was used in Manchuria, too. They exported to Japan proper. However, around 1943 transportation difficulties arose at the Dairen and Manchuria ports. Therefore, we shifted the transportation route from the sea route to the land route through Korea, which was a further burden to the very meager transportation facilities.
- Q. But that would make it all the more important to ship pig iron rather than coal and iron ore. You would need less transportation to move pig iron to get a ton of steel than to get a ton of steel from iron ore and coal. Therefore, the more difficult the transportation, the more you should have been anxious to get pig iron from Manchuria. Why didn't you?
- A. Well, we did get more.
- Q. But did they ship all the pig iron that was made?
- A. Yes, we tried to get as much as possible. Almost all pig iron which wasn't used in Manchuria was shipped over to Japan.
- Q. What percentage of the total pig iron made in Manchuria was that?
- A. Japan used to get somewhere around 500,000 tons out of the total production in Manchuria of 1,300,000 tons. That is about 40%.
- Q. Was 500,000 tons of pig iron shipped into Japan in 1943?
- A. Approximately.
- Q. 1944?
- A. It decreased. Production decreased on account of the raids.
- Q. In 1945?
- A. We didn't get much in 1945.
- Q. (To interpreter) Do you know these facts of your own knowledge?
- A. The Admiral says that he has given the figures already.
- (It was explained that the interpreter was Admiral Toyoda's assistant in the Iron and Steel Control Association)
- Q. Am I correct then that you shipped from Manchuria every year as much pig iron as Manchuria could spare?
- A. Yes.
- Q. That was the maximum they had available?
- A. In addition, some high phosphorus pig iron was shipped to Japan.

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- Q. Now why, as a matter of policy, was Manchuria allowed to keep 60% of the pig iron at a time when Japanese industry was short of steel? Why was that?
- A. The answer is very simple. It is because Manchuria needed it. However, part of the 60% was made into steel ingots at their steel works and shipped over to Japan.
- Q. What did Manchuria need steel for? Manchuria wasn't fighting. What did it need the steel for that was more important than for producing artillery in Japan?
- A. It was partly a demand of the Kwantung Army and partly for the development of Manchurian industry and exportation.
- Q. Isn't it a fact that Japan did not have enough steel to make heavy artillery and tanks for the Army?
- A. Admiral Toyoda didn't know much about these implements of war. That belonged to the Army.
- Q. Didn't the Army ask for more steel than they were given?
- A. Well, 4 million tons wasn't enough, so the Army asked for more.
- Q. The Japanese Army was fighting the enemy, wasn't it? But the Japanese Army wasn't allowed to have as much steel as it needed, although the Kwantung Army which wasn't fighting, and the internal development of Manchuria, were allowed to have steel. Is that right?
- A. Well it was a matter of total allocation for the Army.
- Q. But the answer to my question is "Yes", is it not?
- A. Yes.
- Q. Was that question taken up by Admiral Toyoda, as one of the cabinet advisors? Did he call attention to that fact? Did he attempt to do anything about it?
- A. In regard to military requirements, he left everything up to the Army which should know best what the Army itself required. Therefore, he didn't say much about it.
- Q. Did the Army control how much steel was allowed to remain in Manchuria?
- A. That was controlled by the Manchukuo government.
- Q. Now, did the Navy have all the steel it wanted, or was it also short?
- A. Decidedly not; it was also short.
- Q. Did the civilian economy and war production have all the steel it wanted.
- A. No.
- Q. Were these facts known to the cabinet advisors and to the cabinet generally?
- A. They were all known.

- Q. Was no attempt made to get the Manchurian government to give up more steel?
- A. Well, the Japanese government negotiated with the Manchurian government on those points.
- Q. Who handled those negotiations for the Japanese government?
- A. The Greater East Asia Ministry.
- Q. Who in the Ministry?
- A. Mr AOKI, Kazuo was Minister of Greater East Asia.
- Q. Do you know whether he handled the negotiations personally?
- A. As far as the negotiations were concerned, they used to have discussions, gatherings of officials of the Manchukuo government and the Japanese government occasionally, over a period of time.
- Q. Over what period of time? Every year?
- A. Several times every year.
- Q. Can you give us the names of several people who attended those conferences?
- A. Directors and section chiefs of the Greater East Asia Ministry, Army, Navy and Commerce Minister on this side and the Commerce Minister on the Manchurian side.
- Q. Would you prepare a list of such people and bring it in to us?
- A. (Interpreter) You mean you would like to get in touch with the people who actually handled these negotiations?
- Q. That is right. Did you attend any of these meetings?
- A. (Interpreter) No, not officially. I attended meetings held in Japan, after the total amount of steel to be shipped to Japan was decided.
- Q. Did Admiral Toyoda attend any of these meetings?
- A. No.
- Q. Were there any records kept at these meetings? Did you have a secretary present?
- A. Yes, they should have been kept. Our Commerce Ministry might have the records.
- Q. There was somebody who took minutes at these meetings and recorded the decisions?
- A. Yes. Mr Tanabe of the Cabinet Inquiry Board was handling material mobilization of Manchukuo and Japan in those days.
- Q. What was the general result of these conferences? Were these the talks which resulted in the decision that 60% should stay in Manchukuo and 40% should come to Japan?
- A. Yes.

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Q. How did you decide that the internal commercial development of Manchuria was more important?

A. Manchukuo had its own materials mobilization plan and requirements were presented by the Commerce Minister of Manchuria.

Q. Didn't disagreements arise as to how much?

A. Oh yes, they arose.

Q. Who had the final say?

A. It was decided by mutual agreement.

Q. Supposing you couldn't agree, then what happened?

A. They had discussions among the attendants at the conference until they came to an agreement.

Q. You mean to say they were always able to come to an agreement?

A. They always came to an agreement.

Q. You mean then the Japanese government was satisfied that it was better to use steel for domestic purposes in Manchuria than to build guns to ward off airplanes with. Did they agree to that?

A. After all, Manchukuo was an independent state and had its own opinions and after the Manchukuo government said they needed certain amounts, it was a matter to be entirely handled by the Manchukuo government and not to be interfered with by our government.

Q. And the Japanese cabinet didn't do anything about it? Did anyone think of appealing to the Emperor on the subject?

A. No attempt was made to appeal.

Q. When the Admiral was a member of the Cabinet Advisors Board and made personal reports to the Emperor during August 1943, did he make any concrete proposals of any action that should be taken by the government in regard to mobilization?

A. He just explained the general situation of Japanese iron and steel production.

Q. Why were these cabinet advisors called in to make reports to the Emperor between August 16th and 28th? Can you tell us what the situation was that led to these successive reports to the Emperor?

A. There was no particular reason for that except that it might have had the aim of the enhancement of the desires and aspirations of the industrialists in Japan.

Q. But this is rather unusual. I mean, members of the Cabinet Advisors Council are not usually called in. I think, during the war, this was the greatest number of industrial leaders who reported to the Emperor. There must have been some particular reason.

A. The purpose of that was to give honor to those who were directly engaged in various fields of industry in Japan and to receive it directly from his Majesty, and by so doing, to

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encourage the aspirations on the part of the industrialists as a whole.

- Q. There was no reason to believe that the Emperor was dissatisfied with the state of production at that time and wanted to have them make greater efforts?
- A. No, there was no idea of that.
- Q. There is one other question on this Advisory Council in the summer of 1943. During that period the cabinet advisors were advising Premier Tojo on the use of his extraordinary powers, his special economic powers. One of the important things that resulted from those powers was the formation of the Munitions Ministry itself, formed in November. Now what kind of discussions took place in the Cabinet Advisors Council with Tojo, over the organization of the Munitions Ministry?
- A. At that time they realized that the increase of airplane output was the necessary factor in prosecuting the war. Therefore, Mr. FUJIWARA was sent on an administrative inspection trip in regard to aircraft production. As a result, the proposal was that the aircraft production of the Army and Navy should be unified.
- Q. It was their consultations over this suggestion that aircraft administration be centralized that led to the formation of the Munitions Ministry?
- A. That is not a statement of fact. Admiral Toyoda thinks that Mr Fujiwara, as advisor, made such a suggestion.
- Q. Is it, then, that the Cabinet Advisers urged formation of the Munitions Ministry in order to unify aircraft production?
- A. No. -- The Admiral is not sure whether Fujiwara made such a suggestion or not, but he thinks he might have made such a suggestion after he made the administrative inspection trip. There was no unified opinion of the board itself.
- Q. But the members of the board felt that it was advisable to unify the administration?
- A. He thinks that Mr Fujiwara, after an inspection trip on the conditions of aircraft production, reached such a conclusion and suggested it to Premier Tojo. He is not sure, but he thinks he might have suggested it. The Admiral doesn't know exactly what conclusions were reached.
- Q. But during the summer of 1943, did the advisors, the cabinet board, consider or offer advice or help in the organization of the Munitions Ministry?
- A. No, they didn't.
- Q. Well, how often were the meetings held?
- A. About once a week.
- Q. Are there records?
- A. They just had free discussions and didn't keep notes.

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Q. Did they never arrive at any decisions?

A. No unified opinion on the board. They didn't come to a decision of the board.

Q. The board never made any recommendations to anybody, as a board?

A. No.

Q. Did they decide that individuals should make recommendations?

A. Individually, each advisor just gave his views on various things.

Q. To Tojo?

A. The Premier was usually there.

Q. How many were usually there?

A. The Cabinet Ministers of commerce and industry, agriculture, and communications.

Q. Mostly the economic?

A. The economic ministers.

Q. Wasn't it one of the functions of the Board to make recommendations? Wasn't that why it was appointed?

A. No.

Q. What was the function of the board, just to talk among themselves?

A. Each advisor was an expert in a general field. They expressed opinions on their own specialized fields.

Q. But then, was that not passed on to Tojo as the opinion of the board?

A. That was just an individual opinion.

(Mr Bisson to Lt Dorr: The Premier was sitting in and he heard these suggestions.)

Q. Didn't the Board make personal reports to the Emperor?

A. No.

Q. When the members of the Board were called on to give advice to the Premier, did they always give the advice just out of their heads or did they have to go and look up facts, make a memorandum and come back and say this is what we think?

A. Well, no, each advisor went up to the Premier and talked with him, bringing with him just a short note and talked to him from that. However, sometimes on big problems such as aircraft production or ship-building, in that case the Premier usually asked the advisor specialized in this particular field to look into the problems in more detail, making investigation of the problem.

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- Q. That would result in some written report? Was Admiral Toyoda asked to make any such reports?
- A. He was once sent on an inspection trip on iron and steel stock piles that were not being used. He made a written report after the trip was over. There wasn't any formal report.
- Q. He had something written down?
- A. There might be a draft report.
- Q. Would he see if he could find that?
- A. It doesn't carry the conclusion up to the very end. Before it was completed, the cabinet resigned and he resigned.
- Q. I would like to find out the information that you might have on what sort of a committee or group may have been formed during the summer of 1943 that planned and carried through the reorganization of the cabinet and the formation of the Munitions Ministry.
- A. The plan was mostly set up and carried out by three prominent men in the cabinet, Premier Tojo, Minister Kishi of Commerce and Industry, and Minister Hoshino, chief secretary of the cabinet. Both War and Navy Ministers had a hand in it. The Navy Minister was Shimada; Tojo was the Army Minister. He thinks Lt Gen Suzuki might have had a hand in it but he is not sure.
- Q. Now, can you tell me approximately when these men began to work on this? When did they start?
- A. He doesn't know at all.
- Q. Would it be June or July?
- A. He doesn't know at all. He thinks Mr Hoshino would know best. Admiral Toyoda was outside the cabinet. He didn't know anything about what the cabinet was doing at that time. Also, although he was a member of the advisory board, the members had very little to do with what the cabinet was doing.
- Q. There is another aspect of this reorganization, when the Ministries were changed that we should like to inquire about. A Munitions Company Act was drafted. Now would that Munitions Company Act be the work of all this group or just Kishi and the Commerce Ministry.
- A. He is sorry he can't answer that.
- Q. When will Admiral Toyoda return for further questioning?
- A. Around November 18th or 19th.
- Q. I think we would like to get together with you at that time. Will you have someone look up that draft report and any records that are available. In a number of cases today, we have asked for the possibility of records, reports and minutes. Will you look around and see whether you can find any additional records or minutes of the type that we have been speaking about today that might fill out the picture.
- A. Yes, he will do that.