

CHARGE OUT SLIP

DATE 9-21

EVIDENTIARY DCC. NO. 1799

TRIAL BRIEF \_\_\_\_\_

EXHIBIT NO. 441

BACKGROUND DCC. NO. \_\_\_\_\_

SIGNATURE Hamburst  
aan

ROOM NO. \_\_\_\_\_

*Original in Court  
as Exhibit #441*

INTERNATIONAL PROSECUTION SECTION

DOC. NO's: 1796, 1797, 1798, 1799, 1800, 1801

5 June, 1946.

ANALYSIS OF DOCUMENTARY EVIDENCE

DESCRIPTION OF ATTACHED DOCUMENT

Title and Nature: Report on Progress in Manchuria.

Date:                      Original (x) Copy ( )                      Language: English  
1907-1928  
1930  
1932  
1934  
1936  
1939

Has it been translated? Yes ( )                      No (x)

Has it been photostated? Yes ( )                      No (x)

LOCATION OF ORIGINAL (also WITNESS if applicable): Document Division.

SOURCE OF ORIGINAL: ATIS

PERSONS IMPLICATED:

CRIMES TO WHICH DOCUMENT APPLICABLE:

SUMMARY OF RELEVANT POINTS ( with page references):

Published by The South Manchurian Railway, DAIREN.                      Contents: Map of  
MANCHURIA-Diagram of Trade of MANCHURIA-Introduction.

- I. Geographical Features
- II. Historical Background
- III. Leased Territory and Railway Zone
- IV. South Manchuria Railway
- V. Trade
- VI. Agriculture
- VII. Mining, Forestry and Fishery
- VIII. Manufacturing Industry
- IX. Currency and Credit
- X. Education
- XI. Sanitation

List of Illustrations.

There are six editions and individual Doc.  
No's have been assigned.

Analyst: T/5 George K. Yamamoto

Doc No. 1796, 1797, 1798,  
1799, 1800, 1801.

Vice-Sor. Hatta, Yoshitaki ✓

1934 戦時金融金庫融資部

Director Murakami, Gichi ✓

Director  
Vice-Sor. Sasaki, Kenichiro

1939.

Director Obuchi, Miki

Hoshida Seiji. Gifu Prefecture

I, Robert Teaze, hereby certify that ATIS Document No. SA 10090,  
Item 1, described as follows:

"FOURTH REPORT ON PROGRESS IN MANCHURIA TO 1934", South Manchuria  
Railway Company, June 1934,

was obtained by me in the course of my official duties and on 10 Jun 1946  
was delivered to Mr. E. P. Monaghan of the International Prosecution Section.

Date 22 Aug 1946

*Robert Teaze*  
ROBERT S. TEAZE  
2d Lt., AUS  
ATIS Document Section

I, Robert Tease, hereby certify that ATIS Document No. SA 10090,  
Item 1, described as follows:

"SIXTH REPORT ON PROGRESS IN MANCHURIA TO 1939", South Manchuria  
Railway Company, May 1939,

was obtained by me in the course of my official duties and on 10 Jun 1946  
was delivered to Mr. E. P. Monaghan of the International Prosecution Section.

Date 24 Jul 1946

*Robert Tease*  
ROBERT S. TRAZE  
2d Lt., AUS  
ATIS Document Section

Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the attached document, IPS No. 1799, the Fourth Report on Progress in Manchuria to 1934, was obtained by me from Lt. Robert S. Teaze, ATIS Document Section, in the conduct of my official business.

Signed at Tokyo on this  
\_\_\_\_\_ day of August 1946

Witness: \_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Official Capacity

滿州に於ける一九三四年(昭和九年)迄の發達に關する第四  
次報告

八一、五有鉄道の經營 南滿州鉄道に委任せらるる

五有鉄道制度設立と同時に滿州の政府は経済的技術的  
能率を増す為に多額の經營の為に缺損を以てある現行線に  
統一する事が必要であり、五有鉄道の運轉と經營を  
滿州に於て鉄道經營に長き不斷の經驗を有する南滿州  
鉄道株式会社へ委託する事が至當であると感した。

取極は亦過去に於て此の會社が資本を提供して建設した  
鐵道の鉄道 線に關して新氣象が此の會社に對して見つて  
ある莫大の負債を清算する上に於て相互に有利である。  
結局滿州の政府は南滿州鉄道株式会社と契約を結ぶ  
滿州の五有鉄道の運轉と經營を此の會社に委託し、滿州の  
政府交通部は一九三三年(昭和八年)三月廿次の如く此の契約の  
要旨を示す声明を發表した。

滿州の政府は南滿州鉄道株式会社に對する  
既運行鉄道に關する債務の總額を一億三千万円と  
定める事に決定した。是等の鉄道には吉林—長春

DOC 1799B

線 吉林—敦化線 吉林—海龍線 四平街—  
 洮南線 洮南—日岬溪線 洮南—索倫線  
 齊齊哈爾—克山線 呼蘭—海倫線 (松花江の  
 水上輸送事業の一部を含まず) 奉天—海倫線 奉天  
 —山海關線 (打虎山—通遼線及びその附屬港)  
 が含まれる。上記借入金 總額は南滿州鐵道株式  
 会社に經營を委託される。前記諸鐵道の全財産及  
 びその收益に依つて擔保せられる。

『滿洲國政府と南滿洲鐵道會社以外の第三者との間の鐵道  
 に関する債權と債務とに關しては南滿洲鐵道が滿洲政府と  
 相談の上決濟する。之に關して支拂が必要の場合には  
 前記委託鐵道の收益から支拂はれる。奉天—山海  
 關線を擔保とする英支會社の借入金を償還す  
 るのに必要な資金も亦、同じ財源から捻出される。  
 奉天—山海關線中英支會社借入金と關係ある  
 部分は前記會社の借入金が決済されるまで現在  
 の鐵道契約の抵當から除外される。



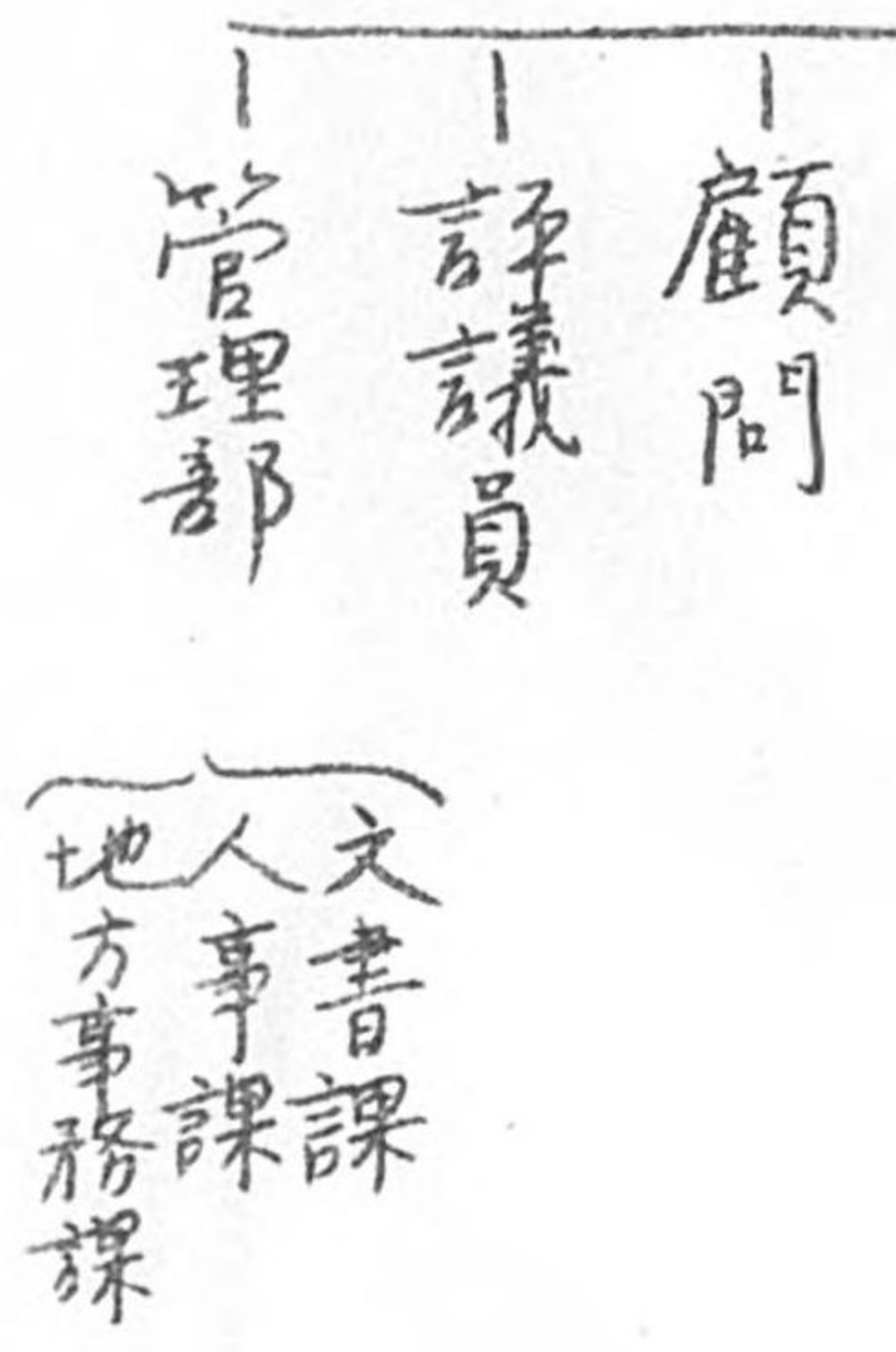
更に滿洲國政府は南滿洲鐵道株式會社に敦化—  
 圖們江鐵道線 拉法—哈爾賓鐵道線、大柵—  
 海倫鐵道線の建設契約を與へた是等諸線の建  
 設費總見積金額は一億圓である

『敦化—圖們江鐵道を建設するに當り滿洲國  
 政府は天宝山—圖們輕便鐵道を買収する必要  
 から南滿洲鐵道から六百萬圓を借り受け又前記  
 輕便鐵道の經營を滿洲鐵道に委託した。』

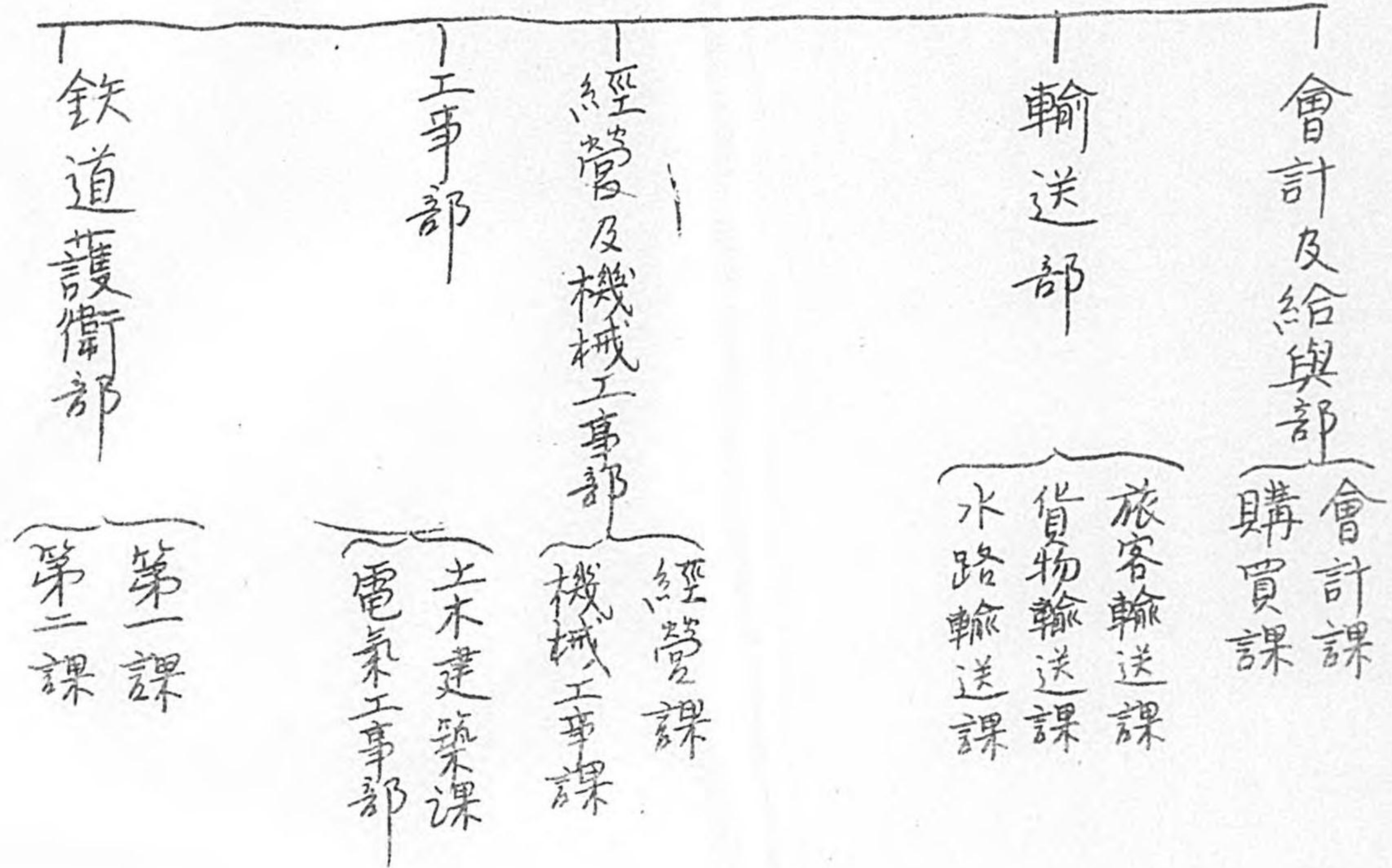
此の契約に基いて國有鐵路司が南滿洲鐵道株  
 式會社に依つて三月一日設立され當會社に多年有  
 能な鐵道行政官として働いて来た宇佐美寛治氏が  
 その總監督に任命された。

次に掲げる圖は、この重要なる事務所の組織を示す  
 のである

國有鐵路司



國有鐵路司の本社は奉天に設けられ、一九三三年  
 三月一日を以て執務を開始し、南滿洲鐵道、北滿鐵  
 道その他の鐵道線と圓滑な連絡をキツキリ上げた。  
 國有鐵路司はまた國產物資及外來物資の運



輸に關して平等な取扱ひを開始し、旧制度の下に於て  
 行はれてゐた差別待遇を全く撤廢した。更に旧制度下に  
 於て「統合乃至整理税」の形で貨物にかけられてゐた附加税も  
 廢止された。尚旧制度の下にあつては全く無視されてゐた  
 鉄道線路及び車輛の改良も着々と進められ、嫩江に  
 かけられた橋も、馬占山軍に破壊されて日本軍が應急心修  
 理を施したまうになつてゐたが、これも永久的な鉄橋にかへられた  
 としてその工事は滿洲國政府の保證した門戶開放政策  
 にしたかつてドイツのロタルンブルクス會社に請員はさせた。  
 鉄道職員に關していはば旧制度時代には總計三千キロメ  
 ートルにも達しない。此らの各線に三万五千名の職員を  
 雇用してゐた。即ち一キロメートルに対し十一人の勘定になる。  
 新管理になつてからはその様に多数の職員を必要とし  
 ないであつたが、國有鐵路司は彼等の一人として首肯す  
 ることをせず、その俸給や賃銀はうちんと定期的に支拂つて  
 くる。これは旧制度時代に屢々見られた支拂不履行と  
 著しい対照を示すものである。

1799B-1 (cont.)

(文書第一七九九B)

公式入手ニ關スル陳述

證 明 書

自分ハ、エドワード・P・モナガンハ自分ガ聯合國  
最高指揮官司令部ニ關係アルモノナルコト並ニ添  
附書類、國際檢察部香號一七六九〇一九三四年マデ  
ノ滿洲發達第四報告「ハ自分ガ、公法上聯合國譯通  
譯局文書課内ノロバート・S・テイーズ少尉ヨリ入  
手シタルモノナルコトヲ證明ス。

一九四六年、昭和二十一年、八月二十二日

東京ニ於テ署名

氏名 エドワード・P・モナガン (署名)

I・P・S・副士官

證人 ウィリヤム・C・プラウト (署名)

自分ハ、ロバート・テイーズハ、下記書類即チ聯合  
國譯通譯局文書香號S A 一〇〇九〇項目一、II、一九  
三四年マデノ滿洲發達第四報告「一九三四年六月前

1799 B-2 (cc)

昭和二十一年 六月十日ニ國際檢察部ノE・P・モ  
ナガン氏ニ手交セシモノナルコトヲ茲ニ證明ス。

一九四六年 昭和二十一年 八月二十二日

ロバート・S・テイーズ (署名)

米陸軍少尉

聯合翻譯通譯局文書課

I, Robert Teaze, hereby certify that ATIS Document No. SA 10090,  
Item 1, described as follows:

"FOURTH REPORT ON PROGRESS IN MANCHURIA TO 1934", South Manchuria  
Railway Company, June 1934,

was obtained by me in the course of my official duties and on 10 Jun 1946  
was delivered to Mr. E. P. Monaghan of the International Prosecution Section.

Date 22 Aug 1946

*Robert S. Teaze*  
ROBERT S. TEAZE  
2d Lt., AUS  
ATIS Document Section

FOURTH REPORT ON PROGRESS IN MANCHURIA TO 193481 Management of State Railways Entrusted to S.M.R.

[Simultaneously with the establishment of the State Railway system, the Manchoukuo Government felt that it was imperative to unify those existing lines entailing loss accounts owing to their diverse management with a view to promoting economic and technical efficiency, and that it was most appropriate to assign the operation and management of the whole of the State railways to the South Manchuria Railway Company which possesses a long and continued experience of railway operation in Manchuria. Such an arrangement would also be mutually advantageous in settling the enormous amount of the new State's indebtedness to that company in connection with the several railway lines financed and constructed by the company in the past. Finally, the Manchoukuo Government entered into a contract with the South Manchuria Railway Company, commissioning the latter to take charge of the operation and management of the State railways of Manchoukuo, and the Communications Department of the Manchoukuo Government published a statement on March 1, 1933, giving the substance of the contract as follows:

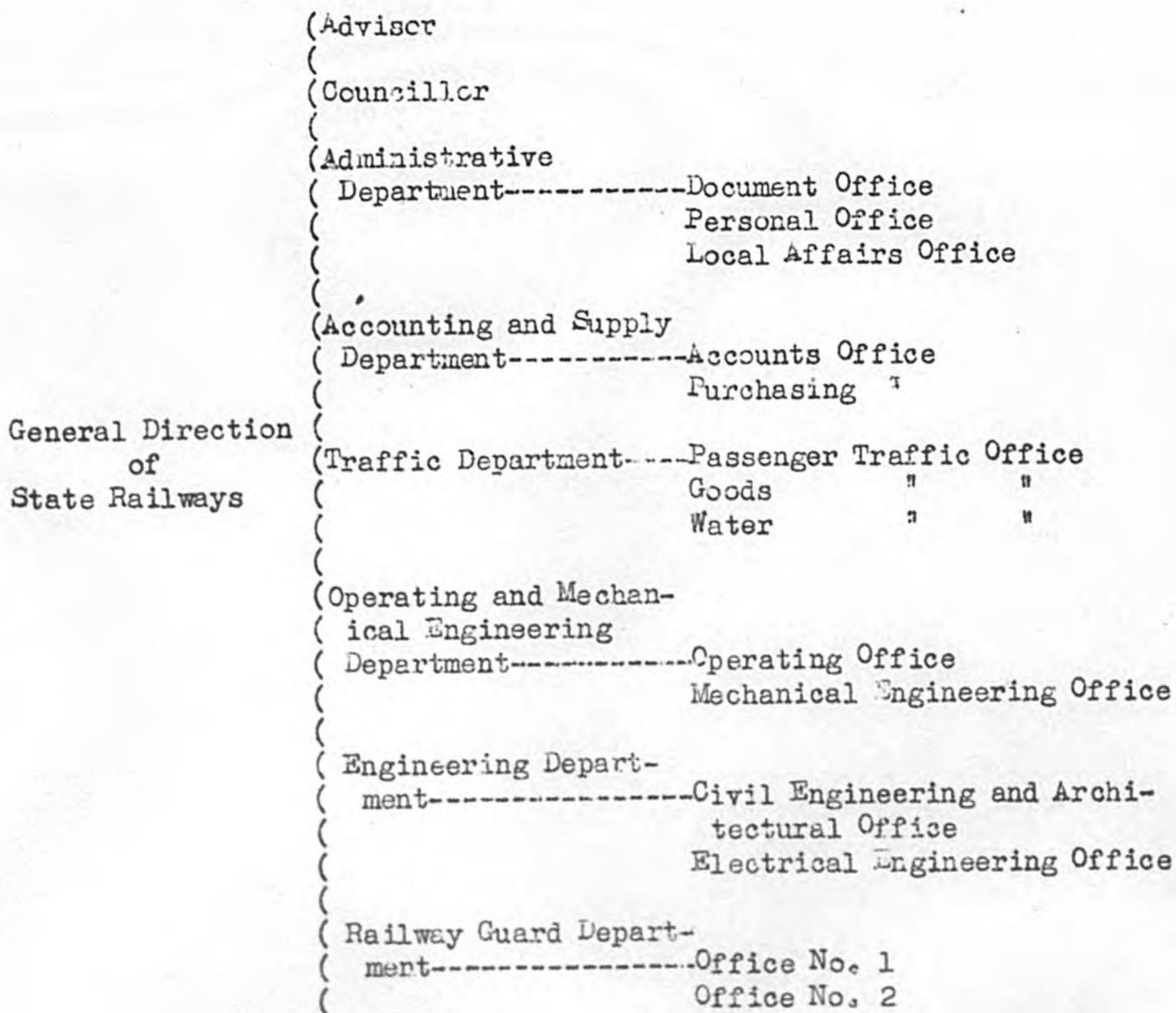
\*The Government of Manchoukuo has decided to fix the total amount of obligations relative to the railways already opened to traffic due to the South Manchuria Railway Co. at G. ¥ 130,000,000, the railways involved being the Kirin-Changchun, Kirin-Tunhua, Kirin-Hailung, Ssupingkai-Taonan, Taonan-Angangchi, Taonan-Solun, Tsitsihar-Koshan, Hulan-Hailun (including a portion of the water transport enterprise on the Sungari River), Mukden-Hailung, and Mukden-Shanhaikwan (including the Tahushan-Tungliac line and its subsidiary harbours). The total of the said loan is to be secured on the entire property and receipts of the aforementioned railways whose management is to be entrusted to the S.M.R. Co.

\*In respect of the claims and obligations relative to railways existing between the Manchoukuo Government and any third party other than the S.M.R., they shall be settled by the S.M.R. upon consultation with the Government. In case payment is required in connection with this matter, it shall be effected from the receipts of the aforementioned commissioned railways. The funds necessary for the redemption of the loan of the British and Chinese Corporation secured on the Mukden-Shanhaikwan line shall also be derived from the same source. That portion of the Mukden-Shanhaikwan line relating to the British and Chinese Corporation loan shall be excluded from the mortgage for the present railway contract pending the settlement of the said Corporation loan.

\*In addition, the Government of Manchoukuo has granted to the South Manchuria Railway Co. the contract for the building of the TunhuaTumenkiang Railway, the Lafa-Harbin Railway, and the Taitung-Hailun Railway lines. The total cost for the construction of these lines is estimated at G. ¥ 100,000,000.

"In the construction of the Tunhua-Tumenliang Railway, the Manchoukuo Government, in view of the need of purchasing the Tienpaoshan-Tumen Light Railway, has borrowed the sum of G. ¥ 6,000,000 from the S.M.R., and has also entrusted the management of the said Light Railway to the S.M.R."

In virtue of this contract, "the General Direction of State Railways" ( ) was established on March 1, by the S.M.R. and Mr. Kanji Usami who had served in the company for many years as an able railway administrator was appointed Director-General. The following diagram shows the organization of this important office.



The Head Office of the General Direction of State Railways was established at Mukden and commenced its work on March 1, 1933. It set up harmonious interconnection with the South Manchuria Railway line, North Manchuria Railway line and other lines. The General Direction also commenced to inaugurate equal treatment of freights on domestic and foreign goods, the discrimination maintained under the former regime being practically done away with. The additional tax on freights hitherto charged under the former



regime in the form of "universal or consolidated tax" was also abolished. Improvement of the railway track and rolling stock, which were utterly neglected under the former regime, was steadily and gradually carried into effect. Railway bridges on the Nonni River destroyed by the forces of General Ma Chan-shan and temporarily repaired by the Japanese Army, were replaced by permanent iron bridges, the contract for which was given to the German firm, Lothar Marcks, in accordance with the Open Door Policy guaranteed by the Manchukuo Government. Regarding the railway employees, these railways when under the former regime, employed thirty-five thousand persons for less than 3,000 kilometres, i.e., 11 employees per kilometre. Although so many employees were not required under the new management, the General Direction did not discharge any of them and pays their wages and salaries promptly and regularly, in contrast with the frequent default in payment of wages under the former regime.

(Doc. 1799b)

CERTIFICATE  
Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the attached document, IPS No. 1799, the Fourth Report on Progress in Manchuria to 1934, was obtained by me from Lt. Robert S. Teaze, ATIS Document Section, in the conduct of my official business.

Signed at Tokyo on this  
22nd day of August 1946.

/s/ Edward P. Monaghan  
NAME

Witness: /s/ William C. Prout

Investigator  
Official Capacity  
I.P.S.

-----  
I, Robert Teaze, hereby certify that ATIS Document No. SA 10099, Item 1, described as follows:

"FOURTH REPORT ON PROGRESS IN MANCHURIA TO 1934", South  
Manchuria Railway Company, June 1934,

was obtained by me in the course of my official duties and on 10 Jun 1946 was delivered to Mr. E. P. Monaghan of the International Prosecution Section.

Date 22 Aug. 1946

/s/ Robert S. Teaze  
ROBERT S. TEAZE  
2d Lt., AUS  
ATIS Document Section

## FOURTH REPORT ON PROGRESS IN MANCHURIA TO 1934

## 57 The South Manchuria Railway

The South Manchuria Railway Company has played an important part in the development of Manchuria. Indeed the story of this corporation is, to a great extent, the story of the progress in Manchuria after the Russo-Japanese war.

Page 155

## 59 S. M. R. Finance

The authorized capital of the Company was originally ¥200,000,000, of which the equivalent of ¥100,000,000 was furnished by the Japanese Government by turning over to the Company all its property in railways and coal mines and their appurtenances, which had been transferred from Russia by the Treaty of Portsmouth. The other half was offered for subscription to the Chinese Government and the Japanese and Chinese public when the Company was formed in 1906, but this offer was not accepted by the Chinese. With the necessary development of its activities, especially after the European war, the Company in 1920 increased its capitalization from ¥200,000,000 to ¥440,000,000. The Government again increased its holdings by ¥120,000,000, or half of the increased capital, by taking over three debentures issues which the Company had floated on the London market: £4,000,000 at five per cent., £2,000,000 at five per cent., and £6,000,000 at four and one-half per cent. interest, totaling £12,000,000. At the general meeting held on March 6, 1933, the Company increased its capital from ¥440,000,000 to ¥300,000,000. The Government also increased its holding by half of the increased capital, leaving the other half to the general public.

The Company was originally authorized to issue debentures to the amount of the unpaid share capital belonging to other than Government holders. By Imperial Ordinance No. 4, of 1910, this amount could be increased to twice the amount of all paid-up share capital, but could not exceed the amount of the authorized capital.

The financial policy of the Company in the first stage was to raise funds for its undertakings by issuing debentures rather than by floating new shares. Finding the most favorable market in London, four issues of debentures, aggregating £14,000,000 were floated there in succession during the four years ending January 3, 1911. Of these debentures, £12,000,000 were, as previously stated, taken over in 1922 by the Government in payment for its holdings of share capital, and the remaining £2,000,000 was again taken over by the Government when the first payment of the increased capital was called in 1933.

Doc. No. 1799

Page 2

Since 1917 debentures of the Company have been mostly issued in Japan. The debenture issues for the last twenty-six years up to March 31, 1938, aggregated ¥300,424,000, of which ¥410,907,000 had been redeemed, leaving ¥89,527,000 outstanding.

Page 158

一九三四年迄ノ滿洲ニ於ケル發展ニ關スル報告第四號

三十七 南滿洲鐵道

南滿洲鐵道株式會社ハ滿洲ノ發展途上重要ナ役割ヲ演ジタ。實ニ右社ノ歴史ハ日露戦争後ノ滿洲ニ於ケル發展史ノ主要部分ヲ成スモノデアアル。

一九三四年迄ノ滿洲ニ於ケル發展ニ關スル報告第四號

三十九 南滿洲鐵道株式會社ノ財政

創立當時ノ同社ノ公積資本ハ貳億圓デアツタ。其内ポーツマス條約ニ依リ露西面カラ引續ガレタ諸多ノ鐵道、炭礦及ビ其附帯施設ヨリ成ル一切ノ財産ニシテ壹億圓相當額ノモノガ日本政府カラ同社ヘ引渡サレタ。爾余ノ半額ニ就テハ一九〇六年同社設立ノ際支那政府及ビ日支兩國民間ニ對シテ應募引受方ノ募集ガ爲サレタノデアツタ。但シ此募集ハ支那側ノ受諾ヲ見ルニ至ラナカツタ。特ニ日露戦争後ニ於ケル同社ノ必然的ナ發展ニ伴ヒ、同社ハ一九二〇年中其資本ヲ貳億圓カラ四億四千萬圓ニ増額シタ。斯クテ政府ハ其保有株ヲ壹億貳千萬圓●即チ増資後ノ同社總資本ノ半額迄増加シタ。之レハ同社ガロンド

ン市場ニ於テ起債シタ三社ノ社債口チ五歩利社債四  
百萬磅、五歩利社債貳百萬磅、四歩五厘社債六百萬  
磅、合計壹千貳百萬磅ヲ政府ガ肩振りスル事ニ依テ  
行ハレタ。一九三三年三月六日ノ株主總會ニ於テ同  
社ハ更ラニ英資本ヲ四億四千萬圓カラ八億萬圓ニ増  
強シタ。政府ハ又増資ニヨル總資本ノ半分ヲ一般民  
間ニ強シ、總資本ノ半分ヲ英保有株ヲ増強シタ。

同社ハ創立當初政府以外ノ株主ノ保有株式ノ未拂  
込額ニ相當スル數額ノ社債ヲ發行シ得ル様認可サレ  
テ居ツタ。一九一〇年ノ勅令第四號ニ依リ公積資本  
總額ヲ超過セザル事ノ條件付テ右金額ガ總拂込資本  
ノ貳倍迄引上げラレタ。

第一階段ニ於ケル同社ノ財政方針ハ同社ノ附事業  
ニ對スル所要資金ヲ新株發行ニ盡ラズ寧ロ社債ノ發  
行ニ依リ賄フト云フノデアツタ。ロンドンガ起債ノ  
最モ好適ナ市場デアアル事ヲ知ツテ、同社ハ一九一  
一年一月三日ニ終ル四ヶ年ノ間ニ總額壹千四百萬磅ノ  
社債ヲ數回ニ亘リ逐次同地ニ於テ發行シタ。是等ノ  
社債ノ中壹千貳百萬磅ハ後上ノ如ク一九二二年中政  
府ニ依リ英保有株拂込引當トシテ肩振りサレタ。而  
シテ爾余ノ貳百萬磅ハ一九三三年中同社増資ノ第壹  
回拂込ニ際シ再ビ政府ニ依リ肩振りサレタ。一九一  
七年以降同社ノ社債ハ概ネ日本國內デ起債サレタ。

1799-3

一九三三年三月卅一日ニ終ル迄廿六ケ年間ニ於テ  
同社ガ發行シタ社債ハ總額八億四千九百萬四千口ニ達  
シ、内四億壹千九百萬七千口ハ償還済デ、爾余ノ參  
億八千九百五十萬七千口ガ未済トナツテ居ル。