

29  
CONFIDENTIAL

20201  
3493200

Op-16-FE  
Translation No. 311  
7 July 1945

B

RAILWAY TRANSPORT - JAPAN

(Extracts from SHUHO (Weekly Report)  
for 14 April 1943 issued by Cabinet  
Information Board, discussing the  
greater need for freight transport by  
the railroads due to increased production)

DISTRIBUTION:

Op-16-A-3-h  
Op-16-W  
Op-16-Z  
Op-13-2 (3)  
Op-20-G (2)  
CominCh F-20  
BAD (4)  
MIS (7)  
USMC (3)  
FEA (2)  
OSS via Op-16-F (2)  
CinCPac (2)  
JIC Navy 128 (2)  
PACMIRS (2)  
CJSLO (Fletcher) via Op-16-FT  
CinC AdvIntelCntr, CinCPoa Adv Hq (2)  
ComNav Forces, Navy #3256, c/o FPO,  
San Francisco,



CONFIDENTIAL

INCREASED PRODUCTION AND RAILWAY TRANSPORT

MINISTRY OF RAILWAYS

Needless to say, the greater East Asia War is not being waged on the battlefield alone, it is also being waged by the men on the home front who have all kinds of obstacles to overcome. The artery of this war, that which makes possible the continuation of ordinary daily and nightly activities, is actually the railroad.

Unlike the Russo-Japanese and Sino-Japanese wars, the greater East Asia war is being fought on an extremely broad scale. Moreover, modern weapons have made such astounding strides in both quantity and quality that this war in which they are being used is one of huge numbers of commodities. That is, this greater East Asia war is a war of vast consumption and the vast production necessary to support it.

Well, just what are transportation conditions at present in this war of production? We hear voices saying such things as: "As long as there are transportation bottle-necks and commodities cannot be procured, there will be production bottle-necks"; "We have electric equipment driven by fire-power to provide against the time when our water-power sources have dried up, but we must economize more and more on the use of electricity which has coal as its motive power"; "Although coal mines are there for us to excavate, either we cannot get the wooden piles needed to hold up the sides of the mines or else the coal and ore are stored deep inside the mountains and we must take them out by hand". Assuredly the reason for the obstruction to increased production does not lie in transportation alone, but in many related factors. Nevertheless, we must realize that the chief cause of curtailed production today is transportation.

Of course, this phenomenon is by no means limited to our country alone; it applies equally well to our enemies, England and America, and even to Germany and Russia. In all these countries transportation is the knottiest problem of the war. In comparison to that of England and America who are worried about shipping, and Germany and Russia who are worried about railroads, the transportation power of our country may be said to stand on a very firm foundation. It is undeniable that transportation is the greatest factor on which the expansion of production depends.

NEW RAILROAD TRANSPORTATION

Well then, just what is the position of the railroad as the center of transportation? Let us take coal as an example: the main Japanese coal-producing areas are in KYUSHU and HOKKAIDO, and unless coal can be transported across the sea somehow or other, there is no way of its reaching great industrial cities like TOKYO, YOKOHAMA, KOBE, OSAKA, etc.

This one example alone should suffice. Since Japan is a country surrounded by water, the chief means for commodity transportation up to now has been by sea and ships. Transportation by railroad has always been secondary, but as the greater East Asia war progresses, the demand for ships has increased tremendously and the transportation of commodities along the coast of the mainland, etc., which has hitherto been carried out by ships is now being transferred, insofar as is possible, to the railroads. The government policy, which decreed that all available ships be sent to areas where ships are absolutely indispensable, was embodied in the cabinet decision in October of last year (TN 1942) which was concerned with the establishment of special wartime land-transport organizations. The subsequent partial cancellation of passenger trains to provide more engines for freight transportation, on 15 November, is an act which is already known to the public.

Further, those products for which we had hitherto looked to foreign countries became difficult to procure, and even the importing of products from our own Southern Army areas to the mainland has been endangered by enemy submarines. Consequently we are importing only commodities which are absolutely necessary and, insofar as possible, we must plan to open up and develop our resources here on the mainland. Towards this end we have com-



CONFIDENTIAL

pletely changed the role of the railroad, and even small mountain railroads have now become parts of vast transportation networks.

Since, in the era of laissez-faire economy, the producer and distributor, as well as the consumer, always kept a surplus of commodities on hand, it did not affect either production or consumption very much when transportation facilities were not of the best. In this modern era of controlled economy, however, unless the distribution of each and every product is effected daily according to plan, it will prove a great obstacle to production as a whole and will also have a dire effect on our wartime activities.

That which constitutes the main difference between sea and land transportation is the factor of precision, which is particular to the latter. Since the beginning of the Greater East Asia War, the distribution of commodities in the correct amount at the correct time has become absolutely essential to the conduct of this war of production, and precision in railroad transportation has taken on an especially great importance.

Upon examination of that percentage of total railroad transportation which is devoted to the transportation of commodities produced as part of production expansion, we find it to be about 50%. For November, 1942 the figures were: mining products 40%, lumber 6%, and manufactured products 1%.

As previously mentioned, however, since the cabinet decision of October, 1941 all sea transport has been diverted wherever possible to land transport and all available ships to areas where ships are absolutely essential. Due to this, there has been a great increase in the number and amount of products which government-owned railroads have been called upon to transport and an even greater increase is anticipated.

INCREASED EMPHASIS ON TRANSPORTATION

In order to guarantee the transportation of these commodities, government-operated railroads are planning their transportation projects with great care and thoroughness.

By virtue of an imperial edict in May, 1942 the Government Railroad Transport Council was formed, which "investigated and considered important facts about the organization and execution of all projects concerning land transport (which means, in wartime, transport by government-owned railroads)". In central Japan, representing the Minister of Railways, a Central Railroad Transport Commission was set up, and in local areas, representing the Railroad Bureau Chief, a Local Railroad Transport Commission was established. The Government Railroad Transport Council appoints a joint board comprised of individuals concerned with the distribution of commodities and government officials also concerned therewith. This board carefully considers annual transportation plans at quarterly intervals and puts forth monthly estimates based on these.

The policies drawn up and established by the Council up to the present time have been particularly concerned with arrangements for the transport of essential commodities. Today, however, when increased production of super-vital products such as steel, coal, light metals, ships, and aircraft has assumed gigantic proportions, special consideration must be accorded the transportation of these products in addition to the planned transportation of ordinary commodities.

RESTRICTION OF PASSENGER TRAVEL

If we try to estimate the total amount of railroad transportation for this year (1943), we will find it to be far greater than it has been in the past. This will be so for many reasons, among them increased transportation facilities due to the extension of national power; the change, in many cases, from sea to land transport; and the increase in transportation of commodities which were produced as a result of our new campaign for developing domestic resources to the utmost. Many of the huge amounts of products being transported are daily necessities, particularly munitions, but 50% of them are products of the great industrial expansion program which showed about an 80% increase over 1941 and is expected to show a 70% increase again over 1942.



CONFIDENTIAL

In an attempt to respond to transport demand, the following means, among others, have been devised: extra-large engines and moving-vans have been manufactured; loads increased by 2 tons or more have been piled on to trucks just as they are (i.e. with no improvements having been made on the trucks themselves); and 27-ton vehicles have been fixed so they can now carry 30 tons. In short, all efforts are being directed towards the strengthening of freight transport power.

Further, bridges and railway lines are being planned on a wartime scale and attempts are being made to raise the low level of transportation safety. To insure greater freight space for vital commodities, a number of passenger trains have already been converted to freight trains. Still, no matter how hard we try to meet the enormous transportation demand, we simply cannot do it adequately. There is no other way save to control transportation, and therefore it will probably be necessary to take over not only passenger trains, but also many trains which carry commodities not wholly essential to the war effort. The emphasis will shift gradually from the convenience and comfort of passengers to the security of freight transport and the full utilization of engines and passenger-freight cars.

THE LOWERING OF HIGH FREIGHT RATES

Let us take a look at the freight rate policy of the railroads as regards the transportation of commodities produced as the result of production expansion: In 1921, after the first World War, freight rates were raised and government agencies planned great new developments and fine maintenances for the railroads under their control. From that time until now, 20 years later, rates have been lowered occasionally, but on the whole, they are about the same as they were before the war. It is not even necessary to look at the freight index but only at the price index of commodities bought every day to realize that with the decrease in prices during the last 2 decades there has been a corresponding decrease in the transportation rates of government-controlled railroads.

Especially in the case of commodities produced as the result of the recent great production expansion, the Ministry of Railways has lowered freight rates more and more. Every effort is being bent towards the strengthening of fighting power through expanded production -- low commodity prices -- low freight rates.

In the case of minerals in transport, freight rates have been cut 40, 50, sometimes as much as 80%. In order to fasten the increased production of vital war minerals and to strengthen, more and more, control over transport routes and rates, the Ministry of Railways, in cooperation with the various mining control companies, has endeavored to give preferential freight rates to those minerals urgently needed in the war effort.

The Minister of Railways stated on the subject of freight rates at a session of The Imperial Diet: "According to the 1940 detailed expense account for government-owned railroads, operating expenses were as follows: 63 sen against every yen taken in on passenger fares and ¥1.07 against every yen collected on freight revenue. In 1941, the railroads sustained an even greater loss, spending 65 sen out of every yen collected for passenger fares and ¥1.20 for every yen taken in on freight charges."

In general, then, the greater the volume of railroad transport, the greater the loss sustained by the railroads involved. A high freight discount has been accorded commodities produced as the result of expanded production and this is contributing in turn towards lowering prices, which leads into the final phase of the cycle, i.e. increased production.

General discounts have also been applied to commodities essential to ordinary daily living. In one year discount figures rose to over 30 million yen, and since the total freight revenue for 1941 was 400 million yen and for the first half of 1942, 249 million yen, it can readily be seen that freight discounts constitute no small amount of money in proportion to freight revenue as a whole.



CONFIDENTIAL

All persons concerned with land transport are devoting earnest efforts towards the establishment of a 10% margin so that they will be able to take care of all transport at hand and still be prepared for emergencies. They will attempt to carry out this plan for the fiscal year of 1943 (1 April 1943 - 31 March 1944) and are working day and night towards this end.

In comparing Japan's railroad transport capacity with that of other nations at war, we find it to be much greater, much more elastic and much easier to increase on short notice. It is expected, however, that the transportation problem will become increasingly acute and in order to solve it, the Japanese people must force themselves to realize that they are at war and that they must ~~therefore~~ refrain from making any demands on the railroads other than those concerned directly with the winning of the war.