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August 1949 Annex D & Summary

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CIVIL AFFAIRS
MONTHLY ACTIVITIES REPORT
FOR AUGUST '49

ANNEX D
&
SUMMARY

September Monthly Activities Report

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HEADQUARTERS
TOHOKU CIVIL AFFAIRS REGION
APO 309

Reports Control
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319.1

12 August 1949

SUBJECT: Monthly Civil Affairs Activities Report

TO : Commanding General
Eighth Army
APO 343

In compliance with instructions contained in Operational Directive Number 53, your headquarters, dated 8 October 1948, as amended, the "Monthly Civil Affairs Activities Report" for the month of July 1949 is submitted in duplicate from Tohoku Civil Affairs Region, Headquarters and Headquarters Detachment:

1. Economics:

a. Discussion:

(1) Food collection and distribution: Collection of wheat, barley and white potato was excellent during the month despite continual wet weather which hindered the threshing of grain and the harvesting of potatoes over a large area. In Akita and Aomori Prefectures, collections are just beginning, due to a normally later season. At the end of the month, 55% of the summer grain quota and 26% of the white potato quota were collected in this region. The highest collections were in Niigata Prefecture where 75% of the prefectural potato quota was collected and in Miyagi Prefecture where 106% of the summer grain quota was collected. Early notification of the amounts of imported foodstuffs to be released for rationing considerably aided the planning of transportation and the elimination of ration distribution delays. Early notification of ration plans becomes increasingly important as the seasonal transportation load increases and roads in rural areas deteriorate under inclement weather. The acting chief of the regional food office was again urged to impress upon all agencies handling food the necessity for prompt inspection of foods, particularly canned products, upon receipt in each prefecture, and the immediate segregation

and reporting of damaged portions of the shipment. He was further urged to report promptly any unused portion of the ration allocation so that such portions could be incorporated into the following month' s release.

(2) Transportation: A member of this section attended a regular transportation coordination conference at which questions concerning the new transportation certificate system were discussed with representatives from the ESB in Tokyo. The system relies upon the honesty and fairness of shippers who register with the ministries to issue certificates on their own shipments. Representatives of private shippers who attended the conference agreed that only through cooperation with all supervisory agencies and transportation media could the system be made to function.

(3) Industry: Petitions received from the Tohoku Metal Mining Association requesting the government to formulate a basic policy on mining, particularly with respect to non-ferrous metals, are being forwarded to higher headquarters, as this headquarters is not adequately prepared to judge the validity of the claims of the association that the metal mining industry, with particular reference to pyrite and copper mine operators, is on the verge of bankruptcy and ruin. The regional ESB held a conference with electrical and communications transmission groups, including the railways, the Communications Ministry, electric power companies and others to explain the joint use of pole lines pursuant to ESB Instruction No. 15. The program was well received and a test case is being prepared in Akita Prefecture where a small isolated town, which was badly damaged by fire last spring, will be furnished with power and communications services under the new program. Power companies and telephone agencies believe that the joint use will result in a saving of approximately ¥100,000 per kilometer in construction costs.

(4) Economic Investigation Agency: A member of this section attended a conference of the EIA Council at which the question of restaurant control was discussed. Prefectural representatives, procurators and police officials stated that attempts were being made to include as many of the small food shops, which continue to operate because of inadequate police enforcing powers, in the light restaurant class. The prefectures have adopted a wait-and-see attitude with regard to rigid enforcement

and are looking toward the metropolitan areas for lead action. If strenuous efforts at enforcement are made throughout the rest of the nation these prefectures will follow the same course, but, if only lip-service is given to the program, as may well happen judging by past experience, prefectures in this region will see no reason to penalize their small businessmen by strict enforcement over and above the national norm. With this exception, the regional EIA is receiving good cooperation from all agencies concerned.

b. Liaison: Liaison visits were made by members of this section to Niigata, Fukushima and Miyagi Civil Affairs Teams and to Eighth Army Civil Affairs Section.

c. Conferences: In addition to regularly scheduled conferences with officials of regional government agencies, conferences were held with Mr. Tadaha and Mr. Fujii of the Tohoku Mining Association to discuss problems of the metal mining industry, with Mr. Dodson, NRS, SCAP, to discuss the collection of summer crops, and with Mr. Jones, special consultant, NRS, SCAP, to discuss rice production.

2. Labor:

a. Discussion: A pronounced drop in the number of labor disputes reported to this headquarters is noted for the month of July. The total number of disputes in progress on the last day of the month was less than at any other time since the fall of 1947. Conservative elements in labor organizations are becoming increasingly active and are gaining strength by the day. The rise of conservative influence is most apparent in the regional unions of government railroad workers and electric industry workers. Electric workers have announced that, in view of management's many financial difficulties, they will not press their present demands for increases in wages. They have indicated to management their willingness to cooperate in obtaining an increase in electric rates and to postpone discussion on wage increases until the electric industry has been put on a sounder financial basis. This point was reiterated by this section in conferences with union and management officials and it is hoped that increasing understanding and cooperation will be realized in the days to come. It is believed that conservative groups, such as the Democratization League in the labor unions, will steadily grow in strength and that the former tendency of many labor organizations to resort to violence is on the wane. In the Sendai Railway Division, which includes Fukushima, Miyagi, Iwate and Aomori Prefectures, 9,484 railroad workers were discharged during the month under the national personnel reduction program. Of this number, 9,175 accepted the discharges without protest, and only 309, or less than 3.3% of the discharged workers, offered any initial opposition which, moreover, quickly died down. The Tohoku Management Association, which includes members from most of the leading industrial and commercial firms in the Tohoku Region, has become a

relatively active organization. By the encouragement of this section and through personal initiative the organization has made promising headway in combating radical and subversive elements in labor unions and elsewhere. Under the sponsorship of the Ministry of Labor and prefectural labor policy sections, one-week labor summer schools for union officials, management representatives and workers from the rank and file of labor unions were held in each prefecture of this region. Classes averaged from 100 to 150 at each school. Courses were well prepared and delivered, as a whole, and were enthusiastically received. There appeared to be, however, too much theory and not enough sound practical fundamentals in the courses. The labor relations officer, this headquarters, visited all of the prefectures in this region, with the exception of Niigata, to speak at these summer schools. At each school, the labor relations officer spoke on the "History of the Labor Movement in the United States."

b. Liaison: The labor relations officer visited each team in this region, with the exception of Niigata Civil Affairs Team, principally for the purpose of attending and speaking at the labor summer schools. In Aomori Prefecture, a conference of regional and prefectural government labor officials was attended. The interpretation and application of the revised Trade Union Law was discussed at this conference. The labor relations officer also spoke on labor contracts, union constitutions and on the history of the labor movement.

c. Conferences: Meetings were held with regional representatives of the Tohoku Management Association, the All Japan Electric Industry Workers' Union, the Government Railroad Bureau, the Japan Electric Generation and Transmission Company, the Tohoku Electric Distribution Company, and procurators of the Sendai High Procurator's Office to discuss present demands for wage increases, the national personnel reduction program, the interpretation and application of new labor laws, labor contracts, and other current controversial issues pertaining to labor-management relations.

3. Legal-Government:

a. Discussion: Legal-government officers in this region are devoting a major portion of their time to the local autonomy program. It is difficult to measure the results of the efforts expended by legal-government officers in guiding prefectural and city assemblies along democratic lines. There appears to be a reluctance among many local public bodies to utilize the powers granted by the Local Autonomy Law without prior consultation with Tokyo. All attempts to determine who in Tokyo has the final say as to what action local public entities shall take have failed to disclose where the final authority lies. Notwithstanding this obstacle, legal-government officers are continuing their best efforts to further the local autonomy program.

b. Liaison: Liaison visits were made to Aomori, Akita and Yamagata Civil Affairs Teams by the legal-government officer.

c. Conferences: Conferences were held with the Director of the Sendai Regional Headquarters of the National Rural Police at which the problems of law enforcement and the maintenance of peace and order in the face of agitation against the national personnel reduction program.

4. Finance & Civil Property:

a. Discussion: Conferences held with Director of the Sendai Tax Administration Bureau revealed that 53% of the anticipated revenue from taxes for the Tohoku Region was declared with the 1st provisional returns filed as of 30 June 1949. Actual payments of taxes on these returns as of 10 July amounted to 21% of the anticipated revenue. In the Sendai Tax Administration Bureau's area of administration, 244 tax employees were discharged from the whole region under the national personnel reduction program. This was completed during the month without incident. Voluntary resignations and discharges for reasons of inefficiency composed the bulk of the separations.

b. Liaison: Liaison visits were made by the tax surveillance officer to Yamagata and Miyagi Civil Affairs Teams to discuss the reorganization of the National Tax Administration Agency and local problems of tax collection with team tax surveillance personnel.

5. Education:

a. Discussion: To date, five prefectural boards of education in this region have acted to clarify their stand on the issue of political activity by teachers, students and others under their administrative jurisdiction. In statements made to the public, these boards have voiced a strong determination to take prompt action against all violations of established policies and regulations. Increased emphasis on social education is noted since the passage of the Social Education Law at the last session of the Diet. A compilation of school inspection reports submitted by civil affairs teams in this region during the 1948-49 school year was made and copies were distributed to the teams. The compilation reveals that excellent coverage was extended throughout all grades of schools and that the ratio of inspections in each category and district (urban and rural) was in fairly direct proportion to the number of schools in each. Materials on the 4-H Club program, the Girl Scouts, student body constitutions and suggestions for Working Women's Week activities during 1-7 August were prepared and sent to the teams.

b. Liaison: Liaison visits were made to Aomori, Iwate, Miyagi and Yamagata Civil Affairs Teams. Conferences were held with team education personnel to discuss the in-service teacher training program, youth and women's programs and plans for the Working Women's Week.

Plans were made for two one-day social education conferences in Aomori Prefecture. During the visits, discussions were held with Japanese groups on the homemaking and vocational agriculture program, general women's program and on the youth program.

c. Conferences: A regional education conference was sponsored by this headquarters in Yamagata on 21-23 July. Dr. Eells, Higher Education Section, CI&E, SCAP, and Mr. John Nelson, social education specialist, CI&E, SCAP, were the principal speakers at the conference. The University Establishment Law, the Teacher Certification Law and the Social Education Law were discussed in detail. The conference program centered on in-service teacher training, youth and women's activities. Participants at the conference included education personnel from Hokkaido Civil Affairs District and Kanto Civil Affairs Region in addition to education and assistant education officers from teams in this region.

6. Civil Information:

a. Discussion: Adverse newspaper publicity on the publication of a prefectural government paper in Niigata Prefecture, the KENCHO DAYORI, has raised the question of the propriety of newspapers being published by prefectural governments. The Niigata paper is presently under investigation by Eighth Army Civil Affairs Section. The three highest attendance records at Picturama showings held in Japan to date were established in three prefectures of this region during the month. Yamagata was first with 33,181, Akita second with 28,248, and Aomori third with 28,076. The semi-annual inventory of all projection equipment in this region was completed on 17 July.

b. Liaison: The civil information officer made a liaison visit to Hokkaido Civil Affairs District on 6 July as a representative of the Corps Civil Affairs Section.

c. Conferences: A Corps conference of civil information officers and Japanese prefectural information officials was held at Kamogawa, Chiba Prefecture on 28-29 July. Civil information personnel were oriented on the plans and policies of higher headquarters by representatives from SCAP and Eighth Army Civil Affairs Section. In the discussions which followed, all phases of the civil information program and of civil information activities were taken up in detail. One of the topics of vital interest covered at the conference was the reporting of communist activities by Japanese newspapers. The conclusion drawn was that the Japanese press was adopting a stronger attitude toward the communists and that the anti-communist policies of many newspapers were being effectively implemented by honest reporting and frank editorials. The subject of constructive publicity to cope with the problems of returning repatriates and of job readjustments was also discussed and plans were made to promote this activity.

7. Public Health:

a. Medical Affairs:

(1) Discussion: The unavailability of qualified replacements for public health officers who have returned to the ZI has necessitated the utilization of non-medical personnel to carry on the public health program. Effort was directed at orienting these lay personnel on their new duties and responsibilities. On a whole, these men are carrying on their duties in a gratifying manner, although some of them are able to devote only a part of their time to these duties. On the Japanese side of the public health program, major emphasis was placed on raising the efficiency of health centers and prefectural health departments. During liaison visits to teams this point was stressed at meetings with prefectural health officials and health center directors. The poliomyelitis epidemic in Aomori Prefecture is on the decline. Fewer new cases were reported from this prefecture in July than in previous months. An increased number of polio cases were reported from other prefectures but these were scattered and there appears to be little danger of another major outbreak at this time.

(2) Liaison: The public health officer accompanied Dr. M. D. Dickinson, PH&W, SCAP, on a visit to Aomori and Iwate Civil Affairs Teams to promote tuberculosis control activities and to observe polio cases at Hachinohe, Aomori Prefecture. The public health officer also visited Yamagata Civil Affairs Team, Eighth Army Civil Affairs Section and GHQ, SCAP. On 19 July, the public health officer visited Hokkaido Civil Affairs District in the company of Lt Col Shellenberger of Eighth Army Civil Affairs Section as a representative of the Corps Civil Affairs Section.

b. Veterinary Affairs:

(1) Discussion: The Animal Hygiene Laboratory and the Model Health Center Laboratory in Fukushima Prefecture were visited during 20-21 July. The Model Health Center Laboratory is making a thorough investigation on the manufacture of ice cream and ice candy sticks which are now being sold on the streets. Detailed bacteriological studies are being made of all such items. Inspection of the Animal Hygiene Laboratory revealed that highly perishable biologicals, such as vaccines and sera, were

not being stored at regrigerator temperatures. A recommendation was made that the practice of keeping such items at room temperature be discontinued at once.

(2) Liaison: A liaison visit was made to Kanto Civil Affairs Region by the veterinary officer as a representative of the Corps Civil Affairs Section. The rabies epidemic in Kanto Region seemed to be well under control. Only one prefecture, Chiba, reported an outbreak among dogs. All stray and homeless dogs are being disposed of within 48 hours, and vaccination of of dogs is being accomplished as rapidly as possible.

c. Sanitary Affairs:

(1) Discussion: The waterworks survey of the Tohoku Region is nearing completion. Collected information is presently being compiled into a report to be submitted to Eighth Army Civil Affairs Section. From the information assembled, it is noted that although several cities have made plans to construct new waterworks and sewage systems and to enlarge existing plants, the high cost of construction and inadequate financial assistance from the central government will make such projects practically impossible. In the past, national subsidies were granted from 25 up to 33 1/3% of the cost of a project. Today, such grants amount to only a fraction of one per cent. With new constructions, excepting emergency repair constructions, out of the question, special emphasis is being placed on proper and efficient operation of existing systems.

(2) Liaison: Liaison visits were made to Aomori, Yamagata and Niigata Civil Affairs Teams. In Yamagata, the sanitary engineer conducted sanitary surveys in three cities of the prefecture. In all prefectures visited the sanitation and insect control programs were found to be progressing without difficulty. The sanitary engineer also made a liaison visit to Hokkaido Civil Affairs District as a representative of the Corps Civil Affairs Section.

(3) Conferences: Conferences were held with prefectural sanitation officials of all prefectures visited. In Niigata, a prefectural waterworks conference of all sanitary engineers in the prefecture was attended. The principal topic of discussion at the conference concerned water distribution systems. Representatives from the Ministry of Welfare and Kanto Civil Affairs Region also attended the conference.

d. Nursing Affairs:

(1) Discussion: The second regional refresher course for clinical nurses opened on 18 July at the Yamagata National Hospital. Forty-four chief nurses from hospitals throughout the Tohoku Region are presently attending the course. Emphasis is being placed on practical training in bedside nursing and on proper isolation techniques to combat the high rate of tuberculosis contracted by nurses. After the third week, students will spend four hours a day in wards. The beginning of decentralization of nursing service was laid at the Akita Model Health Center. One nurse will be sent out to a village in the health center area. If this attempt proves successful, five more nurses will be sent out to other villages.

(2) Liaison: Liaison visits were made to Yamagata and Akita Civil Affairs Teams.

(3) Conferences: On each liaison visit, conferences were held with team public health officers. In Akita, a conference was held with chief nurses of health centers to discuss problems of health center administration and operation.

8. Public Welfare:

a. Discussion: The major event in the activities of the public welfare section was the IX Corps conference of team welfare officers and prefectural welfare officials which was held in Yamagata Prefecture on 13-15 July. This conference represented the culmination of intensive research by nine prefectural study committees which were set up several months ago and which had studied various problems of public welfare administration and operation over this period under the supervision and guidance of the public welfare officer, this headquarters. Reports from each committee were heard and discussed by the assembly and conclusions drawn therefrom were incorporated into suggestions and proposals which were submitted to the Ministry of Welfare and to prefectural welfare departments. A few subjects were referred to the committees for further study and report.

b. Liaison: Liaison visits were made by the public welfare officer to Yamagata, Fukushima, Niigata and Miyagi Civil Affairs Teams.

c. Conferences: In Miyagi Prefecture, the public welfare officer met with prefectural and city welfare officials to discuss the administration of large city welfare programs. In Fukushima Prefecture,

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a conference was held with the prefectural in-service training director to discuss training programs, and a visit was made to the Fukushima City welfare department to review the possibilities of further integration of welfare functions at city level. In Niigata Prefecture, the public welfare officer held a conference with prefectural welfare officials and also spoke at an all-Japan meeting of Day Care and Day Nursery managers.

John U. Ayotte

JOHN U. AYOTTE
Colonel, Infantry
Chief

R-E-S-T-R-I-C-T-E-D

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HEADQUARTERS
AICHI CIVIL AFFAIRS TEAM
APO 710 (Nagoya, Honshu)

ANNEX D

To Civil Affairs Activities Report
Period Ending 31 August 1949

Authors: Mr. H. J. Belser, Economics Officer
Lt. R. M. Baranouskas, Natural Resources, Food Control & Fish and Vegetable Surveillance
Lt. F. A. Kutilek, Commerce & Trade and Customs & Immigration
Mr. E. F. Jouard, Reparations

1. Agriculture

a. Recent rains have increased the prospects for an above-average rice crop in Aichi Prefecture. Damage to crops by the typhoon "Kitty," was negligible. Stem borer damage has been reported in several guns, however, the rains have temporarily curtailed insect generation. Extension agents are closely watching the anticipated widespread hatching of rice stem borer and other insects. Sufficient quantities of insecticides are available locally to farmers.

b. Aichi Prefecture, which is the largest poultry producing prefecture in Japan, is rapidly nearing prewar production. During the first six months of 1949, 7,100,000 dozen eggs were produced, or approximately thirty percent of prewar production (1940) for the like period. Shipments out of the prefecture total 4,956,000 dozen, or seventy percent of production. These figures are compiled from data submitted by the 175 cooperative poultry producers in Aichi Prefecture and do not include private or home production.

c. As of 15 August, distribution of allocated autumnal fertilizers to farmers in Aichi Prefecture reached forty six percent of nitrogenous types thirty three percent of superphosphate of lime and twenty three percent of imported potassium salt.

SUBJECT: Annex D to Civil Affairs Activities Report
Aichi Civil Affairs Team, period ending 31 August 1949, cont'd.

2. Agricultural Reform

a. Results in the 18 August Land Commission elections in Aichi Prefecture appeared to be satisfactory, as seventy nine percent or 700,562 voters cast their votes. Guns varied from fifty seven percent in Hekkai-gun to ninety five percent in Nishikamo-gun. Candidates numbered 3,322 persons for 2,628 committee positions. Many villages did not have the required number. Of the commissioners elected, sixty eight percent were new members. The election indicated complete conservatism, as ninety nine percent of the members elected were independents. Communists followed with ten members.

b. As of 15 August, purchased land registration in Aichi Prefecture reached 4.2 percent while sales registration totaled 2.5 percent. This phase continues to progress slowly, however prefectural officials report that registration is being accelerated since the election.

c. Representatives of local Processing Cooperatives met during the reporting period in Nagoya for the purpose of exchanging information on improvement of processing and canning of products for export. Samples of American canned goods were shown to the groups. Particular interest was indicated on jellies, marmalades, and tomatoes.

d. A total of 6,630 cho has been reclaimed for agriculture in Aichi Prefecture since 1945. Of this total, 2,316 cho is released Military Areas and 137 cho formerly forest land.

3. Crop Collections

a. The first delivery of an individual rice quota was made by a Chita-gun farmer on 24 August, which is twenty one days earlier than the first delivery in 1948.

b. White potatoes deliveries in Aichi Prefecture, as of 31 August, reached 9,285,455 kan or 103.7 percent of the revised quota.

c. As of 31 August, the prefectural government reported the completion of the cereal quota, as deliveries totaled 269,286 koku, (B.R.E.) or 100.0 percent of the revised quota.

BASIC: Annex D to Civil Affairs Activities Report
Aichi Civil Affairs Team, period ending 31 August 1949, cont'd.

4. Food Distribution

a. An estimated 150 persons a day are entering Nagoya with rice from Fukui and other early rice cropping prefectures. The majority are women and carry from one "TO" (about 0.5 bushel) to one bale of rice. To elude the strict control measures applied at the Nagoya station, the rice sellers are reported to leave trains outside the city and enter by street car.

b. Inspections of measures and scales in Nagoya by the Municipal Commerce and Industry Section during July and August, resulted in 74 measures failing to meet the test from 358 checked and the rejection of 200 scales from a total of 3,493 inspected.

c. The Economic Section of the Nagoya Police Bureau has been active in enforcing staple food controls, as violations in blackmarket sales of early sweet potatoes and rice increased during the reporting period. A two day drive netted 150 persons arrested and 3,384 kg. of raw sweet potatoes confiscated and in another three day drive, 371 persons were arrested and 6,041 kg of foodstuffs confiscated.

d. Based on the prefectural population of 3,226,116 persons, the meat consumption per capita per day for the month of August was .6 gramme.

e. As of 31 August, the status of the restaurant control program in Nagoya is as follows:

(1)	Applications for Licenses	3948
(2)	Licenses Issued	3691
(3)	Applications Rejected	8
(4)	Applications Pending	249
(5)	Chinese Restaurants Licensed	146
(6)	Korean Restaurants Licensed	9

f. Prefectural authorities in cooperation with the police are planning raids in September, as an estimated fifty percent of known

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BASIC: Annex D to Civil Affairs Activities Report
Aichi Civil Affairs Team, period ending 31 August 1949, cont'd.

eating establishments continue to operate without licenses and have neglected to apply for said licenses. Lack of information to consumers appears to be the greatest hinderance to enforcement. In order to gain full cooperation of consumers, Prefectural Officials have distributed posters throughout the major cities. Consumers are refusing to give seasoning tickets in many cases, and possibly from ignorance, refuse to comply with the New Food Control Law.

5. Fisheries

a. Arrival of fresh fish from outside the prefecture at the Nagoya Central Market during the period 26 July to 25 August totaled 349,333 kan, a decrease of approximately fifty percent over the preceding period. Within the prefecture the receipts totaled 34,354 kan, also showing a decrease over the preceding period.

b. Allocations of link materials appears to be approximately seventy percent of the requirements for Aichi Prefecture. Blackmarketing of materials has decreased somewhat, as compared to a year ago, on all items excepting rope and oil. Rope continues to be scarce, with the illegal price at eight times the official price.

6. Fisheries Cooperatives

ECA Conducting petroleum investigations at present.

a. SCAP and Eighth Army representatives visited Aichi Prefecture during the reporting period and inspected areas in regard to Fisheries Cooperative and Fisheries Rights.

b. Fishermen have shown little interest in the Fishery Rights Law to date. This may be attributed to the small scale fishing within the prefecture and the procedure used by former associations and the Prefectural Government in leasing Fishery Rights.

This statement is not representative of the overall situation in Japan

c. The summary of the organizational status of Fisheries Cooperatives, as of 31 August, is as follows:

(1)	Associations to be disolved	100
(2)	Preparatory Meetings held	88
(3)	General Meetings held	64
(4)	Prefectural Approved Cooperatives	20

BASIC: Annex D to Civil Affairs Activities Report
Aichi Civil Affairs Team, period ending 31 August 1949, cont'd.

7. Forestry

a. Three small forest fires were reported in Aichi Prefecture during the reporting period, damaging two cho of forest land. Careless hikers were the determined causes.

b. The Pine Bark Beetle infestation appears to be spreading within the prefecture, particularily in the Atsumi peninsula area. A district Extermination Committee was formed in that area with the selection of persons in each town for liaison, for an all out effort to curb the spread, as over 16,000 pine trees are in danger. In addition special teams were organized to cut and burn the bark on all infested trees.

8. Import - Export

a. The following is a summary of Import and Export Activities at the Nagoya Port during the period 1 August through 31 August 1949:

Import & Export during the month of August, 1949.

Nationality of Vessel	No. of Ship	Import (K/T)	Export (K/T)
U. S. A.	12	37,658.641	1,185.550
British	12	3,132.675	2,571.961
French	1		52.020
U.S.S.R.	1		2,550.000
Danish	6	279.313	1,166.602
Norway	5	8,940.000	507.537
Denmark	1		59.419
Sweden	2		173.611
Greek	1		10,500.000

SUBJECT: Annex D to Civil Affairs Activities Report
Aichi Civil Affairs Team, period ending 31 August 1949, cont'd.

Nationality of Vessel	No. of Ship	Import (K/T)	Export (K/T)
Chinese	2	1,706.964 (include)	166.017
Philippine	2	(Reparation) (124.957)	542.897
Panamanian	1		
Total		62,217.593	9,247.734

Total Tonnage by Type of Cargo

Import (K/T)		Export (K/T)	
Wheat	28,970.060	Porcelain Ware & etc	5,589.490
Soya Bean	1,676.482	Spinning Machinery	617.317
Barley	1,525.423	Textile machinery Rarts, (include Reparation) (124.957)	142.130
Milo	9,906.487	Ply Wood	239.347
Salt	10,500.000	Barges	2,350.000
Muriate of Potash	8,940.000	Duralumin Sheets	36.030
Kaolin	82.315	Concrete Bars	31.060
Greasy Wool	337.513	Worsted Fabrics	28.650
Teak Squares	279.313	Sundries	13.680
		(Wool gloves, Wool mitts, Salmon Gill Nets, Metal Ware, Agar-Agar, Cotton Piece goods & etc.)	
Total	62,217.593	Total	9,247.734

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BASIC: Annex D to Civil Affairs Activities Report
Aichi Civil Affairs Team, period ending 31 August 1949, cont'd.

b. Customs

(1) The Japanese Customs at Nagoya Port, in accordance with Japanese Cabinet Order number 199, have assumed full responsibility for:

(a) Examination and clearance of all property and cargo entering or departing Japan other than Occupation Forces cargo and property of persons accredited to the Occupation Forces.

(b) Obtaining Customs Declarations Sheets from pers entering or departing Japan.

(c) Visa of visiting entrants pasports.

(d) Furnishing visiting entrants with certificates for staying in Japan.

(2) Presently, the Customs agency of the Bank of Japan is converting U. S. dollars, at the official rate less 1/2% commission, at the Nagoya Port.

9. Shipbuilding

a. Routine surveillance of shipbuilding, in compliance with OD 76 of 1946, disclosed no unauthorized constructions in this prefecture.

b. Authorization to construct one 450 ton patrol boat and construction was started in early August.

10. Transportation

a. Routine surveillance of Railroad Rolling Stock repair and construction, in compliance with OD 15 for 1948 disclosed no unauthorized construction in Aichi Prefecture.

b. Status of orders for the completion of Railroad Rolling Stock during August by the Nippon Sharyo Seizo K.K. (Japan Rolling Stock Mfg. Co. Ltd.) The local manufacturer of locomotives, passenger, freight and electric cars and railroad appliancies:-

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SUBJECT: Annex D to Civil Affairs Activities Report
Aichi Civil Affairs Team, period ending 31 August 1949, cont'd.

(1) Passenger Cars "Suka" for Transportation Ministry fifteen (15) have been completed. "Ro" for Siam five (5) have been completed.

(2) Electric Cars "Moha" for Nagoya Railroad Co. five (5) have been completed. "Moha" for Kyoto City Transways Co. five (5) have been completed.

(3) Government of Siam Ten (10) have been completed and tested to be sent to Kobe for shipment to Siam.

c. Negotiations are now under way for New Export orders from Siam, Pahkistan, Burma and India.

11. Reparations

a. A total of 19 inspections of Reparations plants were made during the past month, and no violations of custody or maintenance were observed.

b. On 2 September representatives of the Philippine Government accepted delivery of 36 packages (Allocations 3-24, 3-26, 3-34) from the Japanese Government, aboard the LST 843, in the presence of two representatives from Aichi Civil Affairs Team, including Lt. Frank Kutilek, Port Officer, and Mr. E. F. Jouard.

12. Public Works

a. A plan to make a Free Port of the city of Nagoya has been put forward by the vice-Mayor of Nagoya, and it is reported that this plan is being vigorously backed by all groups of businessmen in the area. No details of the plan have yet been submitted to this office.

13. Construction

a. A total of 892 new buildings were in process of construction in the city of Nagoya during the past month, of which 798 were housing units. Statistics on prefectural construction were not available by the end of the month, but there is every indication that

construction of new housing units throughout the prefecture is progressing in a similar manner as in Nagoya, slowly but surely. It is difficult to determine the number of units that are being illegally constructed, but from the observations of this team it can certainly be said that the amount of illegal construction has sharply decreased during the past six months.

14. Stimulation of Critical Industries

a. Industry Improvement Series

(1) This three stage program continues to gain fullest Prefectural support.

(2) The program is established to: Increase Employment, Increase Purchasing Power, Increase Production of Essential Goods.

(3) The program is sponsored by: Mayors Conferences, Critical Industries Meetings, Individual Plant Industrial and Marketing Surveys.

(4) The Program is conducted through: Trade fairs, displays, sample rooms, Nagoya Trade Institute, Chambers of Commerce, Export Bazaar and Department Stores.

(5) The program encourages individual effort by: Direct Contact with New Overseas Markets, Correspondence with Foreign Buyers, Importers Exports, Textile Trading Mission in South America, Railway Rolling Stock Mission in India, Burma, Siam, and Pahkistan.

(6) The program emphasizes attention on: New Products, Quality Methods, New Technical Magazines, New Technical Handbooks, New Technical Literature from Manufacturers.

b. The "First Stage of the Industry Improvement Series" was completed in August. The Mayors Conferences were held in 31 Cities

BASIC: Annex D to Civil Affairs Activities Report
Aichi Civil Affairs Team, period ending 31 August 1949, cont'd.

and Towns. The meetings averaged 3 hours of information, questions an answers. The attendance averaged 50 to 200 persons. Interested citizens, the Mayor, Police Chief, Commerce and Economic Officers, Manufacturers and Businessmen participated in efforts to stimulate business and industry in the prefecture.

c. The "Second Stage of the Industry Improvement Series" will start this month, and will concentrate on specialized conferences for improving the economic condition of major industrial manufacturing groups, such as Shipbuilding, Rolling stock, Auto Motive, Bicycles, Clocks, Looms, Sewing machines, Porcelain, Spinning industry, Textile machines manufacturing etc.

d. Response to the program is indicated in many ways. The Nagoya SCAP Library reports that 337 special groups, (Labor, Education, Industry etc.,) requested technical literature and information last week, and 217 of the 337 groups were industrial managers and factory engineers drawing on the 600 technical magazines and 6,000 latest American books describing new ideas, methods, products, markets, systems, reducing cost, improving quality, color, design etc.

e. The following slogans are being widely used in the rehabilitation program," Nagoya Means Business," "Nagoya Supplies - The World Buyers," "Work and Save for a better Japan," "Nagoya is Proud of its progress in Reconstruction," etc.

f. The "Third Stage of the Industry Improvement Series" will start next month, and will concentrate on a prefecture-wide campaign of individual engineering surveys for improving manufacturing practice and marketing methods in Critical Industry Plants of Aichi Prefecture.

g. Aichi has doubled industrial production in the past two years and there is every reason to believe that this rate of progress will continue.

15. Economic Investigation Board

a. A total of 31 lectures and conferences were held during the past month by the various sections of the Economic Investigation Board in an endeavor to publicize the aims of the Economic Investigation.

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HEADQUARTERS
AKITA CIVIL AFFAIRS TEAM
APO 7 Unit 4

Author: Philip A. Doherty
Capt, Cav
Economics Officer

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Economics Summary

Annex D
to
Monthly Civil Affairs Activities Report for the Month of August 1949

AGRICULTURE

1. Reports originating at prefectural level indicate considerable damage to rice crops within this prefecture. A total of 23,787 cho (58,278 acres) of rice paddy area are affected in varying degree by rice blast disease. Harvest yield decrease is estimated by Japanese authorities at 180,462 koku, or 35 per cent of total area production. Prevalence of disease is 30 per cent greater than that of the normal year. Areas of most extensive damage are located in the southern counties of this prefecture, where transplanting of rice seedlings was delayed by drought.

2. In addition to reported damage by rice blast disease, 18,448 cho (45,198 acres) of the 1949 rice crop are reported affected by drought. A mechanical irrigation program initiated by prefectural authorities was not entirely successful due to low water source level.

3. It is the opinion of the author that crop damage estimates are excessive. Visiting SCAP technical personnel have estimated that total crop damage, precluding major disaster, will amount to less than 10 per cent of crop yield.

AGRICULTURAL EXTENSION

4. Previously reported shortages of transportation facilities for extension agents within this prefecture have been alleviated to a minor extent by distribution of fifteen bicycles and 214 pairs of shoes during August 1949. Frequent questioning of extension agents by representatives of this headquarters has revealed that towns and villages, in increasing numbers, are contributing materially and financially to support of extension agents assigned to their respective areas.

5. Extension service within Akita prefecture is improving gradually, but is not presently satisfactory in any phase. It is believed that better provisions for transportation, instruction, and application of such instruction to the farmers' more pressing problems will increase the visible benefits of this program, which the farmer will accept and practice. In a majority of cases the farmer is not interested in theory.

6. A livestock exhibition, having as its announced objective the improvement of livestock in the Tohoku Region, will be held during September in Omagari, Akita

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prefecture. The exhibition is to be jointly sponsored by the prefectural Livestock Stock Office and the Livestock Breeding Association. Movies, displays of farm implements, posters, slogans, round table discussions and lectures are additional activities planned by the sponsors. Considerable publicity measures to promote attendance at the exhibition have been initiated including distribution of invitations to livestock breeders throughout Tohoku Region.

7. Promotion of social and cultural activities and methods for improving agriculture in rural communities were subjects discussed during fourteen lectures to youth groups, women's associations and farmers throughout this prefecture during August 1949. The lectures were conducted under the auspices of the prefectural Improvement Section and with the cooperation of area extension agents. In most instances agricultural films were shown in conjunction with the lectures. In a majority of areas the lectures were well received and were of considerable influence in establishment of two new farm youth clubs during August 1949. In addition to these reported activities, frequent tours of Akita city factories, offices, and the experimental station were arranged for visiting farm youth groups.

CROP COLLECTION

8. As of 31 August 1949, 2,142 koku of summer crop grain had been collected. White potato collection totaled 2,721,495 kan on 30 August 1949. The prefectural quota for grain was established as 500 koku, and for white potato at 1,846,000 kan. One hundred per cent collections for grain and white potato were achieved on 10 and 20 August 1949, respectively. Extensive publicity by prefectural authorities contributed substantially to a successful collection program.

FISHING

9. The August 1949 catch of 334 tons decreased 367 tons from the July 1949 catch. Sardine, Yellowtail, and Mackeral constituted the bulk of the August catch. The Lake Hachiro catch of 408 tons during August 1949, consisting mainly of pond smelt and goby, represented an increase of 240 tons over the July 1949 catch.

10. August 1949 receipts of fresh fish imported to Akita Prefecture aggregated 968.8 tons, an increase of 253.6 tons over imports for July 1949. Fifty tons of salt fish were imported during August 1949, a decrease of 21.3 tons from July 1949 imports.

11. Fishing craft were at sea an average of fifteen days during August 1949. A total of 466 craft were operating, twelve were under repair, and 234 were not operated.

12. Fuel and machine oil allocation and consumption for August 1949.

(Unit: Litre)	HEAVY OIL	LIGHT OIL	KEROSENE	GASOLINE	MACHINE OIL	MOBILE OIL
Allocated amount	192,000	35,000	6,280	1,160	20,900	2,520
Consumed amount	74,690	56,152	7,316	2,005	11,016	8,020
Balance	117,310	-21,152	-1,036	- 845	9,074	-5,500

Annex D to Monthly Civil Affairs Activities Report for the Month of August 1949 (Cont'd)

13. Thirty six thousand pounds of cotton net and thred constituting the July-September 1949 allocations were received during this reporting period. The third installment of the April-June allocations of Manila and Sisal rope consisting of 95,303 pounds and the initial allotment of 106,400 pounds of the July September Sisal rope allocation were received and distributed to fishermen during August 1949. Cotton net and thred continues to be in short supply. The supply of rope is sufficient for the coming season.

TRANSPORTATION

14. Rail freight shipments during August 1949 totaled 155,288 tons. This figure is 94 per cent of planned haulage. Stock piles at rail heads totaled 10,208 tons, including 5,300 tons of logs and lumber.

FORESTRY

15. Log production in national forests during August 1949 amounted to 25,965,748 board feet, an increase of 20 per cent over July 1949 production. Return of farm worker to forests and extremely favorable working conditions are contributing factors to increased production during August 1949. Production of finished building lumber, veneer, and plywood decreased 4, 21 and 41 per cent respectively. Financial difficulties encountered by manufacturers is a contributing factor to decrease of finished wood products production.

16. Charcoal production during August 1949 reached 2,441 tons, an increase of 266 tons over July 1949 production. Production figures for July-August 1949 indicate a decrease of more than 100 per cent from production during the same period during 1948. The sharp production decrease is mainly attributed to government recision of the charcoal purchasing policy.

17. Forestry Office reports indicate Pine Bark Beetle infection of nine cho of forest area in Akita prefecture during August 1949. Damage to timber is estimated as 587 koku. Courses of instruction on methods to curb bark beetle infestation were conducted during August 1949. The Noshiro Regional Forestry Office has initiated a long range program to determine effective means of extermination of the Pine Bark Beetle. The method presently used in this program consists of distributing pine posts approximately four feet in length throughout infested areas. The test wood is checked daily and entrance holes tagged with date, type of beetle and observed habits. Results of this experiment will be consolidated and offered to forestry offices throughout Japan.

18. It has been noted during inspections of forestry stations by representatives of this headquarters that allocation of materials for transportation is generally not adequate. Light oil allocations for August 1949 were reported to be sixty per cent under requirements. In this instance short allocations of light oils has forced consumers to use heavy oil as a substitute with a resulting increase in mechanical malfunctions. A large number of the sixty-nine trucks assigned to the Akita Regional Forestry Office are not in operable condition due to lack of material replacement.

Outstanding among needed items are truck tire inner-tubes. The present annual distribution of tubes allots one per two trucks. Low maintenance standards are reflected in large stock piles of lumber not transported to shipping points.

PETROLEUM

19. August 1949 production in the Akita fields, Teikoku (Imperial) Oil Company totalled 8,647 kiloliters, 89 per cent of planned production. The number of producing wells has increased to 923, a gain of twelve during August 1949. Crude oil production 26 July 1949 to 25 August 1949:

FIELD	PLANNED	PRODUCED	PRODUCING WELLS	PUMPED WELLS
Hachimori	597.46	560.26	19	19
Toyokawa	834.87	783.45	301	276
Asahikawa	618.53	687.23	163	157
Yabase	7.335.46	6,265.29	283	250
Yuri	303.47	350.89	157	142
Total:	9,689.79	8,647.12	923	844
July Total:	8,701.73	8,389.84	911	819

August 1949 production of Soto-Asahikawa wells R-6 and R-7, flowing from a horizon recently designated as Horizon VIII:

	APRIL	MAY	JUNE	JULY	AUGUST	TOTAL (Unit: Kilo-litres)
Well R-6	77.39	156.62	123.29	103.15	90.15	550.60
Well R-7			268.20	391.49	285.60	945.29
Total	77.39	156.62	391.49	494.64	395.75	1495.89

Comparative figures of production and sale, Yabase Oil Field Gases; ten day period:

NATURAL GAS (m^3)		COMPRESSED GAS (m^3)		LIQUIDIZED GAS (kg)	
Produced	Sold	Produced	Sold	Produced	Sold
120,000	27,184	21,582	21,582	3,360	2,991

20. Working conditions and labor attitude in the Yabase Fields, Teikoku Oil Company have improved noticeably during the past few months. This improvement is attributed to recent oil reserve discoveries, which have tended to promote a feeling of security among the field workers, and to application by company officials of excellent technical advice offered by visiting ESS SCAP personnel.

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MINING

21. Coal production during August totalled 6,366 tons. The August 1949 production figure is 96 per cent of planned production and is a decrease of 566 tons from July 1949 production figures. Company officials attribute production decline to the labor holidays during the recent religious festivals.

	AUGUST	JULY	(Unit: Ton)
Actual Production	6,366	6,932	
Planned Production	6,590	7,050	
Actual Shipment	8,071	6,893	
Planned Shipment	9,300	9,050	
Railhead Stockpiles	6,593	6,586	

22. Anthracite coal producers have alleviated merchandising difficulties encountered during the past two months. Cancellation of coal contracts by Coal Distribution Kodans forced major producers to search elsewhere for market outlets. The tonnage of coal marketed during August 1949 has increased approximately 400 per cent over that of June 1949.

23. Pyrite production of 9,319 tons at the Hanaoka Mine during August 1949 exceeded planned production by five per cent, and increased 940 tons over production figures for July 1949. Iron pyrite shipments from the Hanaoka railhead reached 100 per cent of planned goal of 8,411 tons during August 1949.

24. Osarizawa Mine produced 604 metric tons of blister copper during the month of August 1949. This figure exceeds the production goal by 16 per cent. Shipment of blister copper from the Osarizawa location represented 87 per cent of planned shipment of 800 tons during August 1949. An aggregate of 277 tons of blister copper are stocked at Osarizawa.

25. Production and shipment of blister copper from the Kosaka location are reported as 530 and 415 tons respectively. These figures represent 78 per cent of planned goals in both instances. Kosaka produced 375 tons of electrolytic copper during August 1949 achieving 83 per cent of planned production. No shipments of electrolytic copper from the Kosaka location were reported during August 1949. The stock pile of this metal at Kosaka has increased to 999 tons.

26. A special report concerning possible concentrations of radio-active mineral deposits within Akita prefecture is under preparation and will be submitted under separate cover through Tohoku Civil Affairs Region.

STIMULATION OF CRITICAL INDUSTRIES

27. The Tohoku Fertilizer Company achieved a complete change of catalysts in ammonium synthesis vessels on 17 August 1949. Production was resumed on 18 August 1949, and a daily production figure of 142 tons achieved by 22 August 1949. Severe

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power shortages limited production during August to a total of 1,881 tons. Revised planned production for August was reported as 1,700 tons.

REPARATIONS

28. All reparations installations in Akita prefecture were inspected by a member of this Civil Affairs Team during August 1949. Maintenance and preservation were satisfactory. All visible indications of custody by SCAP or the occupational forces have been removed from reparations installations within this prefecture.

29. Certain component and/or spare parts of reparations machine number 2339309 formerly in custody of the Fuji Sangyo, Yuzawa Plant, #28, Fukihara-cho, Yuzawa, Akita Prefecture are presently being packed and processed for shipment to the Fuji Sangyo, Mitaka Plant, Tokyo (39-29) at the expense of Japanese concerned per authority contained in letter, Hq Tokyo Civil Affairs Team, dated 5 July 1949.

RESTAURANT CONTROL

30. It is considered that the application of Diet Law Number Fifty Two, the restaurant control program, is generally successful in Akita Prefecture. Cooperation among the Economics Investigation Committee, the Foodstuffs Sections, the National Rural and Municipal Police, and other concerned agencies has been excellent. Publicity through radio, newspaper and hand-bill media has been continuous, and has informed the majority of consumers within this prefecture.

31. As of 7 July 1949, prefectural officials had not formulated a plan of action to initiate restaurant control within this prefecture. Representatives of this headquarters determined through inquiry that, even though this program was originally scheduled to be effective in May 1949, prefectural officials concerned had not received information pertaining to the promulgation of the program from central government agencies.

32. Beginning 15 July 1949, the program was officially placed in operation. The initial two-week period was devoted entirely to publicity, and instructions. National Rural and Municipal police units were required to attend frequent lectures and discussion classes conducted by the Economic Investigation Board Committee and the Prefectural Foodstuffs Section. It is considered that enforcement and surveillance agencies within Akita Prefecture are sufficiently familiar with the program to insure competent supervision of the economic and surveillance aspects of restaurant control.

33. All major restaurant operators in the larger population centers of this prefecture were addressed during open meetings by a representative of the Economic Investigation Board, the police and members of the Prefectural Economics and Foodstuffs Sections. Procedure for license applications, requirements, and standards of eligibility were explained and the responsibilities of the restaurant operator defined.

34. Representatives of the Economics and Legal & Government Sections of this Civil Affairs Team were present during all of the initial proceedings and explanations of this program.

Annex D to Monthly Civil Affairs Activities Report for the Month of August 1949 (Cont'd)

35. Statistical results of the Restaurant Control Program in Akita Prefecture:

Licenses Issued (as of 25 August 1949)

Light Restaurant	597
Hotel	399
Meal Coupon	61
Noodle Coupon	0
Tea Room	63
Total	1,120

Reported violations total seventy-two as of 25 August 1949. Fifty-six cases have been referred for prosecution. Approximately 60 per cent of violations are for illegal service to customers by licensed establishments, indicating that violations by operators are not due to ignorance of the requirements of the law or to lack of familiarity with licensing procedure but rather that violations are intentional.

36. It is the opinion of concerned representatives of this Civil Affairs Team that several problems obstructing successful attainment of the objectives of the restaurant control policy remain to be solved by the Japanese government officials concerned, and deserve considerable attention. Coordination of interprefectural publicity and instruction to the traveling public is of immediate concern. Many of the violations reported in this prefecture involve sale of foods to residents of neighboring prefectures and the metropolitan areas who claimed ignorance of the law when requested by restaurant operators to produce meal ticket coupons. Reluctance on the part of higher prefectural officials to participate actively in the restaurant control program through fear of losing the political support of restaurant and hotel owners is a factor which tends to hinder the success of this program. A third factor to be overcome is the tendency on the part of legal authorities to be as lenient as possible with violators. This tendency is apparent in that of seventy-two violations, seventeen were dismissed as not being intentional violations and several more were merely warned to comply with the law. The Legal & Government Section, this Civil Affairs Team, is maintaining surveillance of procurators' decisions in violation cases.

37. Development of restaurant control measures will be a subject for surveillance during September 1949 and will be given all possible assistance by representatives of this headquarters.

HEADQUARTERS
AOMORI CIVIL AFFAIRS TEAM
APO 7 - Unit 3

Reports Control
Symbol 11 (R-2)

ANNEX - "D"

to

Monthly Civil Affairs Activities Report for August 1949

(Prepared by Major Richard D. Gillis, Economics Officer)

ECONOMICS SUMMARY

1. AGRICULTURE:

a. Rice: Unseasonably cool weather and cold winds during the latter part of the reporting period have retarded the growth and development of rice plants. The Aomori Crop Reporting Office estimates production for 1949 will be 95% of normal year.

b. Wheat and barley: Harvest of wheat, barley and white potatoes were completed during this reporting period.

c. Apples: Production for 1949 is estimated at 12,000,000 boxes. 300,000 boxes of early apples have been shipped outside the prefecture to date.

d. Fertilizer: During the month of August, an additional 360 m/t of spring fertilizer was allocated to areas suffering from drought damage, and is to be distributed by 10 September.
Prefecture authorities have allocated tentative quotas of fall fertilizer to farmers based on 1948 allocations, pending receipt of 1949 fall quotas from the central government, and of 7600 m/t of fertilizer received by the Kodan, 34% has been distributed to farmers.

e. Agriculture extension system: Extension agents have been hired to fill 135 of the 150 authorized positions. Agents are spending an average of 4-5 days a week in the field, in no instance has an office has been visited where more than one extension worker was in the office. Seven localities have planned youth organizations and have made application to the prefecture authorities for charters.
There is some duplication of effort between extension agents, agricultura high schools and the guidance section of coops. To date however, agents have concentrated their main effort on advising farmers on proper utilization of fertilizer and disease and damage control in cultivation of rice plans are now being prepared for presentation of a more deversified program in the after harvest "slack season" in conjunction with the agricultural high schools and guidance section of agri. coops.

2. AGRICULTURE REFORM:

a. Land Reform:

1. As the result of the election of local land commission on 18 August 1949, 1,609 were elected of the total 2,210 candidates. 40% of incumbents were reelected. Seven villages reported a total of 11 vacancies. Election is to be held in September.

2. Payments and collections for agriculture land purchases and sales are as follows:

Planned payments	¥145,266,777 (1-11th purchases)
Actual payments	135,543,899
Percentage	93.3%
Planned collections	¥118,664,542 (1-16th sales)
Actual collections	93,873,136
Percentage	79.1%

b. Agriculture Cooperative Association: During the reporting period the property disposal committee of the Aomori Prefectural Nogyo-kai completed the appraisement of properties. The liquidator expects the transfer and liquidation will be completed by end of October. Ten local Nogyo-kais, that have not held their liquidation general meetings, are expected to have these accomplished by 15 September. 147 local Nogyo-kais have transferred their properties valued at ¥295,434,861 to 290 coops. During the month of August the establishment of Aomori Prefectural Apple Marketing Federation and two agricultural coops. were approved by the administrative authorities, making a total of 15 federations and 564 agriculture coops. in the prefecture.
Application for amalgamation was submitted to MAF by the Aomori Prefectural Agricultural Policy Federation and Aomori Prefectural Agricultural Guidance Federation in order to unify their aims.

3. CROP COLLECTIONS:

Allocation of revised individual wheat and barley quota was completed on 3 August 1949. Collections to 31 August:

	Quota	Total Collected	Per Cent
Wheat and barley	21,300 koku	22,962 koku	107.8%
White potatoes	5,999,000 kan	2,168,366 kan	36.1%

4. FOOD DISTRIBUTION:

a. During the month of August 6.5 days of imported foods, 21.7 days of rice (included 14.7 days of frozen rice), 1 day of white potatoes and 1.7 days of rice substitute were distributed. Of the 1,200,000 kan of white potatoes that were distributed 70-75% were refused by the consumers. Therefore, as a counter measure the prefecture authorities are negotiating with the central government to ship 500,000 kan of white potatoes out of prefecture consuming areas. The reason for refusal is based on quality, price, and its value as rice substitute.

b. 202 m/t of imported barley arrived in the prefecture and was found to be in good condition.

c. As the result of analysis made by the Hirosaki Medical College on 7,025 lbs of soup mix, that was to be distributed through the school lunch program and claimed to be inedible by the prefecture authorities, 5,534 lbs were condemned, and released as live stock feed by this team. The remaining 1,491 lbs will be redistributed for the school lunch program.

d. Inspections of food warehouses by personnel of the economics section indicate some improvement in storage and handling methods. Dificiencies noted and brought to the attention of Japanese officials mind: (1) Rodent damage, (2) Stocking on damp floors, (3) Improper segregation of different types of food in stocks.

5. FISHERIES:

a. Landings of marine products were remarkably increased due to favorable conditions and running of cuttle fish.

b. Total catch for the period 26 July - 25 August was as follows:

Cuttle fish	1,191,279 kan
Shark	175,219 kan
Cod fish	105,539 kan
Menuke	84,592 kan
Flounder	51,787 kan
Mackerel	46,197 kan
Tuna	29,422 kan
Sardine	15,131 kan
Hokke	4,595 kan
Yellow tail	1,470 kan
Others	483,751 kan

c. Shipments against allocations were as follows:

	Allocated	Shipment	Per Cent
Six large cities	213,000	450,000	211
Inland prefectures	37,000	96,770	261
Other prefectures	154,000	263,666	171

d. Distribution of fuel oil, ropes, nets and twines as link goods are satisfactory in general.

7. FISHERIES COOPERATIVE PROGRAM:

a. Of the total of 90 fisheries coops. that have been approved by the prefecture, 47 have completed their registration. The Aomori Prefectural Fisheries Cooperative Federation held their preliminary meeting for establishment, and will hold their general meeting for establishment by 15 September 1949.

b. During the reporting period, the prefecture authorities approved the first case of transfer of the former Gyogyo-kai property to the new fisheries coop.

c. The Aomori Trawl Fisheries Coop. received a loan of ¥13,800,000 from the local bank in accordance with the new "Fisheries Bill Loan System" to purchase fishing materials. The Aomori Prefecture Mutual Relief Banking Operation Committee is investigating loan proposals of ¥14,000,000 from 7 fisheries coops.

d. During the month of August the prefecture authorities held two training courses and one conference pertaining to transfer of Gyogyo-kai property.

7. MINING:

a. Total production was 9,773 m/t, an increase of 1,438 m/t compared to previous month. Production figures for August are as follows:

Pyrite	9,012	m/t
Coal	508	m/t
Copper	150	m/t
Zinc	20	m/t
Lead	9	m/t
Silver	.212	m/t
Gold	.0017	m/t

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b. The result of the natural gas survey in Nishi and Kita Gun area was very promising. The prefecture is to set a special budget of ¥3,000,000 for survey and development.

8. INCENTIVE GOODS:

63% of coupons of 1949 summer crop incentive goods have been distributed to farmers. 1499 tan of cotton cloth, 132 rear cars and 339 bicycles which have been allocated for 1949 summer crop incentive goods have not yet arrived in the prefecture. Prefecture authorities expect delivery by 15 September.

Incentive goods, for over delivery of 1948 crop rice, barley, wheat and white potatoes, received by the prefecture was not sufficient to meet earned point credits. Prefecture authorites have made application to AFIA for additional allocation to make up this shortage, but to date have received no answer. This situation could have an adverse effect on 1949 staple food collection.
603 wool shirts and 491 jackets, U. S. Army surplus incentive goods for 1948 excess delivery which have been allocated, have not yet arrived in the prefecture. All domestic incentive goods for 1948 excess rice delivery have been received and distributed.
Class A & B port fishermen are to receive incentive goods through appointed representatives. Coupons for July deliveries will be distributed by 10 September. Failure of representatives to apply for coupons has caused this delay.

9. FORESTRY:

Total cut for the reporting period was 335,000 koku and increase of 27% over the previous month.
Although the lumber production was 119% of the monthly goal, ply-wood production was only 60% of the goal.
Charcoal increased 50% over the previous month in production, and as the result of the decontrol, 300,000 bags that were stock-piled up to the previous month, were delivered to consumers.
Ten cho of pine forest being used as wind-break at Higashidori-mura, Shimokita Gun, were found to be infested with yellow moth; however, were brought under control by use of DDT.

10. EIB RESTAURANT CONTROL:

During the reporting period the EIB investigated 937 restaurants and found 219 violations. 90% of these violations were by light drinking and eating houses.

Types of violations reported were as follows:

Failure to collect food coupons (154 cases), operating without licenses (40 cases), serving staple food without proper licenses (22 cases), and misc. (3 cases).
NRP apprehended 399 persons for violating the restaurant control law.
12 of these were turned over to the procurator's office.
No case of license revocation has been reported to date.

11. TRANSPORTATION:

a. Rail Transportation:

Effective 1 August 1949 the transportation of coal for railroad use was changed from a combination of ship and rail to all rail. In implementing this change two additional ferry trips between Aomori and Hakodate and return were scheduled daily with at least two coal trains running extra on the Tohoku main line. The partial embargo on the movement of box cars to Hokkaido is still in force. (Reference - Annex "D" paragraph 12a ACAT monthly activities report for July 1949) There is no shortage of cars in this prefecture to date. However, with the coming harvest season it is expected that shortages will occur.

b. Truck Transportation:

252,103 tons were moved by truck during the month with 27,483 tons still to be moved at the end of the month. This is an improvement over the last reporting period. The concerned Japanese officials give the same reasons as in the past, "repair parts and fuel are in short supply".

c. Bus Transportation:

Five additional buses were put in service during the month. Crowding is not as bad but there is still much room for improvement.

12. TRANSPORTATION CONTROL:

The police at Ominato, Tanabu and Nohoji with supervision by the CA personnel of this headquarters made a complete check of all freight in transit, awaiting shipment or awaiting delivery on the Ominato Branch of the JNR on 12 August 1949. The Shimokita district of the NRP had a permanent check point at Tanabu for the month. No violations of the transportation regulation were found.
The Economic Section, Aomori Police Department, found forty three bags of ammonium sulphate manifested as bran in transit from TAHARA Koichi, Obihiro, Hokkaido consigned to the Kurami Livestock Association, Kanagawa Prefecture. The ammonium sulphate was confiscated and turned over to the Aomori Branch of the Fertilizer Kodan. The police have contacted the Obihiro Police Station in Hokkaido to investigate TAHARA.
A conference was held on 28 August with the Aomori City Police, the NRP and the EIB relative to transportation control.
Investigation of the administrative agencies concerned with the issuance of transportation certificates, disposition of impounded goods, etc did not disclose any violation.

13. REPARATIONS:

The two reparations plants, -03 and -04, were inspected during the reporting period and the maintenance was up to standard. The Aomori

Branch office of the Sendai Finance Bureau issued a press release that the reparation machinery was to be distributed to factories in this area. When the local representatives of the Finance Bureau were contacted they claimed that they had been misquoted. It is the opinion of the reparations officer that this was a "trial balloon". The tactical forces in this prefecture are still expressing interest in the possibility of securing some of the reparation machinery. Advice was given to formalize the requests and submit them thru channels.

14. ELECTRIC POWER.

Eleven projects are presently under construction for the increase in generating capacity or enlargement of distribution facilities.

15. PUBLIC WORKS:

a. Roads:

Mr. T. F. Gaerey, Expert Consultant from ESS, SCAP visited this prefecture and held a meeting and series of inspections with the prefectural officials. Observation by this headquarters substantiated by the comments of the Japanese shows that use has already been made of the technical advice provided by Mr. Gaerey. The Japanese officials have requested that Mr. Gaerey or someone with similar technical training return to this prefecture and spend a month to six weeks in observing and offering helpful advice.
Fifty eight road projects with a total contemplated expenditure of ¥114,560,000 were started during the month. Ten projects with a projected cost of ¥12,240,000 are under consideration.

b. River and Harbor Works:

Forty seven river and harbor projects are at present under way.

c. Public Buildings:

Twenty four projects are under way with a total value of ¥47,019,747. Eight projects with a value of ¥4,891,815 were completed during the month. Twelve projects with a value of ¥41,407,000 are at present under consideration.

HEADQUARTERS
CHIBA CIVIL AFFAIRS TEAM
APO 500

Reports Control
Symbol CA-11 (R2)

ANNEX D

ECONOMICS SUMMARY

1. Identification:

a. Prefecture covered: Chiba

b. Report for month of: August 1949

c. Name of individual preparing report:
Major Charles G. King

2. Agriculture:

a. During the past month, the main activities of farmers have been weeding rice fields, planting buckwheat and fall crops, and harvesting summer vegetables.

b. The dry season during the first three weeks of the month somewhat hampered the growth of rice and sweet potatoes but late rains this week have corrected this. As this is written, typhoon "Kitty" has just passed. Preliminary reports of crop damage are fragmentary and incomplete, and no official estimate of crop damage can be made at this time. Damage from insects and crop diseases appear small.

c. Fall fertilizer receipts were as follows: 61.5% of nitrogen, 62.4% of phosphate and 59.4% of potassium. All of the fertilizer received has been distributed. Farmers are making a concerted effort to use stable manure and heaped muck for fertilizer. Of the allocated agricultural tool and equipment, 43.4% has been received and distributed.

d. Web Worm Control: Some web worm infestation has been found in the Matsudo-Ichikawa area. Control measures of a sort were started about 15 August using eight people, some of whom were volunteers. The dusters being used were not very efficient and would not reach high enough on the trees. Since then we have recommended a publicity campaign to make everyone conscious of forestalling web worm infestation and make the individual farmers and tenants responsible for dealing with web worm on the land they occupy. In the absence of approved dusting equipment, the infestation may be destroyed by burning with torches on a stick or long pole.

BASIC: Annex D to Monthly Civil Affairs Activities Report
for the month of August 1949

3. Agricultural Cooperatives:

a. An inspection was made of the Agricultural Cooperative Association at Shirahama which may be considered as typical of other cooperatives in this Prefecture.

b. The principal objectives of the cooperative association are (1) providing assistance to farmers in growing their products, purchasing necessary supplies, and selling their products; (2) providing banking facilities; and (3) supplying and distributing fertilizer, agricultural materials, and equipment.

c. The transfer of assets from Nogyokai has been completed and assets amount to ¥300,000. Shares are ¥300 and the maximum number permitted an individual is 50 but at present, no individual holds more than five. Savings amount to ¥4,000,000. Cooperative officials include seven directors and three auditors.

d. Present activities of the cooperative are assistance to farmers in preparing for rice harvesting, working on a water project for paddies, and assistance in marketing flowers. Block meetings are held in the villages and slides and visual aids used to educate the farmers and stimulate interest. The cooperative also works with the local lower secondary school and is endeavoring to incorporate educational material about cooperatives in the social studies curriculum.

e. The auditing system was criticized by the head of the cooperative, who claims the auditors drop in now and then and scan the financial statements but cannot analyze them. The auditors either lack the necessary knowledge or interest. There are still problems of getting more direct contact with the farmers but time and experience will probably take care of these.

4. Agricultural Extension Work:

a. Inspections were made of agricultural extension activities in several localities. The agricultural extension program seems to be going over very satisfactorily. Most of the extension agents have been well trained for the job, many being graduates of agriculture schools and having worked for the Agricultural Experiment Stations and had practical farming experience.

b. The office at Shoei village consisted of five farm advisors and one home demonstration agent who covered two towns and six villages. At Sawara town, there are four farm advisors and two home demonstration

agents who cover two towns and five villages. Farm advisors and demonstration agents spend most of their time in the field which often leaves their offices vacant with no one to answer questions or look after administration.

c. Their principal activities have been demonstration and advice on use of fertilizers, 2.4 D weed eradicator, insecticides, types of rice and wheat plants. Frequently they give advice to Agricultural Cooperative meetings and youth groups. There is no competition between the agricultural extension agents and the cooperatives. They work together and assist each other with their programs.

d. The principal problems of the extension agents are lack of agricultural publications for distribution and low salaries. There are 213 extension worker positions contemplated and only 162 have been filled to date. An examination will be given 25 September for extension specialists in the Prefectural office.

e. We are endeavoring to get the extension service and agricultural improvement office to promote the canning and preservation of summer vegetables.

5. Crop Collection:

a. Wheat, barley, and white potato collections which had been lagging the previous month took an upward turn and the Prefecture went over the 100% mark on 10 August, three days ahead of the deadline set on our plan. Since then, turn-ins have continued in excess of quota and the latest figures as of 30 August were 110.6% on wheat and barley and 114.2% on white potatoes. Fifteen surveillance checks were made on crop collections during the month.

b. It is believed that the advantages of early crop turn-in have been well publicized and with the experience the officials now have, the rice crop should be turned in promptly and without complication.

6. Incentive Goods:

a. Nearly all the incentive goods received have been distributed. Most of the farmers questioned said they wanted more cotton clothes and "chikatabi".

b. An investigation was made 16 August of some unserviceable raincoats that had been reported. Twenty-nine raincoats were found unserviceable and are being exchanged. The Japanese seem to prefer [illegible]

the army type raincoats to the navy raincoats which tend to be sticky.

7. Imported Foods:

a. A total of 18 warehouses were inspected for the purpose of studying damage and spoilage to imported foods.

(1) There were no canned foods for general distribution on hand.

(2) Only a small quantity of canned food for the school lunch program was on hand. Of the total received about 17% was damaged by improper handling during transportation. The corner of the cans were broken.

(3) Ten warehouses storing wheat, barley, corn, millet, flour, and corn meal, and three warehouses storing soybeans, soybean meal and cake were inspected but no spoilage discovered.

(4) No spoilage was found in warehouses storing sugar and dehydrated eggs.

b. The principal deficiencies were inadequate fire protection and in same instances unsanitary conditions. Japanese government officials and warehouse managers were instructed to correct the deficiencies found.

c. Investigation showed that imported foods are being inspected by the Japanese immediately upon arrival except for warehouses storing materials for soy sauce. A monthly report is submitted by Japanese food distribution agencies to the Food Office of the Ministry of Agriculture and Forestry. Food leftover from the previous months allocation are reported and instructions requested for disposition.

8. Land Commission:

a. Considerable publicity was given the 18 August land commission election in the month preceding. This was in the form of press releases, posters and leaflets. During the two weeks preceding the election, meetings were held in the principal towns and villages at which slides and movies were shown, speeches made, and representatives from this section participated. Reports indicate the response to these meetings was rather mediocre and not much interest was shown. In many places there was no competition for the positions and good farmers were reluctant to run. Many farmers were of the opinion the work of the land

commission was about completed.

b. Surveillance was exercised during the election and ballot counting by all sections of the team. No irregularities or unusual incidents were reported.

c. A number of petitions and complaints have been received calling attention to illegal sales, purchases, or use of land and alleging unfairness and misconduct on the part of some local land commission officials and bosses. These have been referred to the Farmland Section of the Kencho for investigation and appropriate action.

9. Fisheries:

a. Fish catches continue to be small with 939,184 kan reported for the period.

b. A representative of this section made an inspection of whaling operations off Shirahama. The whaling is done with a fleet of about 9 boats of 5 to 15 ton size which work in pairs. Ample speed and silence are necessary to catch the whales as they submerge for 20 to 30 minutes when alarmed. It is then necessary to work in about a two mile circle and wait for them to come up. One whale measuring about 36 feet, weighing about a ton and having products worth about ¥300,000 was caught during the inspection. Twenty-six whales have been caught since 1 June. Fuel oil for whaling seems to be ample, but rope for harpooning is still about 50% short of requirements.

c. Fishing Cooperatives: Inspections were made of fishery cooperatives at Kominato-machi, Amatsu-machi, Futomi-mura, Emi-machi and Katsuura-machi. All seem to be progressing all right in their organizati and activities except Katsuura. At Katsuura, there are two bosses who had been quarreling for years in the old fishing association. When the old association was dissolved and the new cooperative formed, one boss took the stand that only those physically engaged in fishing could belong and the other boss interpreted the law to include as members those giving financial assistance or interested in the purely commercial aspects of the industry. This resulted in a split within the cooperative and after much wrangling and negotiation, it decided to dissolve and start all over again with a committee from both factions set up to determine qualifications for membership. The first boss got Prefectural approval of the new cooperative called Katsuura Fishing Cooperative Association but the second boss set up a competing cooperative called Katsuura Port Fishery Cooperative and they soon found themselves in about the same situation as before. Conferences were then held in which the Prefectural Governor and

a representative from this section tried to get the parties together but without much success. It was decided to publicize the issues to all the members and probably have them vote on which cooperative would predominate.

10. Blackmarket Surveillance:

a. An inspection was made 8 August of 5 transportation check points throughout the Prefecture. With the exception of the ones at Matsudo and Noda, they were rather lax and inefficient with probably plenty of blackmarket products getting through.

b. On 11 August, a raid was made by Chiba City police which netted 15 kan of candy and cakes.

c. A blackmarket ring dealing in soap, shampoo, candy, and syrup with outlets in Tokyo, Chiba City, and Yokaichiba was broken up recently from information supplied this office. The initial raid did not turn up anything but the evidence was secured through checking express company records.

d. Reports from the Crime Prevention and Statistics Section on blackmarket activities in stable and perishable foods for the month are as follows:

Number of violations	806
Number of minor violations	217
Cases sent to procurator	589

e. We have frequently noticed a great hesitancy on the part of local officials to go after a "big operator". In those cases, we work through the Economics Investigation Board and Kencho officials and generally get the desired results. However, they frequently seem to take an unduly long time to investigate.

11. Restaurant Control: Results of restaurant control licensing as of 27 August were as follows:

Type of Restaurant	No. of Application	No. of Approved	No. of Rejected	Under Consideration
Hotels	577	549	28	
Light Restaurants	1,152	784	55	313
Coupon Restaurants	59	57		2
Coupon Noodle Shops	112	90	5	17
Tea Rooms	567	515	46	6
TOTAL	2,467	1,995	136	338

BASIC: Annex D to Monthly Civil Affairs Activities Report
for the month of August 1949

12. Building Construction:

a. Building construction activities were as follows:

Type of Building	Buildings Completed During Period	Buildings Completed Since Nov 46	Under Construction
Residence	268	24,443	2,380
Joint Residence and other purpose	69	5,907	1,618
Other buildings	238	14,527	3,244

b. Due to financial conditions the tendency has been to construct smaller buildings.

c. Prefecture officials made 660 inspections of buildings during the month with result as follows: Minor violations 114; medium violations 29; serious violations 1; second time violations 7; third time violations 1.

13. Public Works:

a. An inspection was made 26 August of the Imba-Tega reclamation and drainage project. This is said to be the largest public works project in Japan. It will provide flood protection and bring into cultivation an additional 10,000 cho of land upon which it is claimed about 200,000 koku of rice or 10% of the Prefectural quota can be raised. The main features of the project are as follows:

(1) Irrigation and flood storage reservoirs at Lake Imba and Lake Tega.

(2) A system of pumping stations to handle flood and irrigation water when natural drainage will not suffice

(3) A system of canal for handling irrigation and drainage water, one connecting Lake Tega with the Tone River and another connecting Lake Imba with Tokyo Bay to the south near Funabashi.

b. The project was started in April of this year and about ¥200,000,000 has been expended to date. The project employs an average of about 450 people and is expected to take about ten years to complete.

BASIC: Annex D to Monthly Civil Affairs Activities Report for the month of August 1949

c. The principal problems as stated by the engineers were:

(1) Getting sufficient appropriations at one time to purchase the heavy earth moving equipment needed to efficiently excavate the canals.

(2) Difficulty in obtaining land rights for the canal. The appropriations have been coming from the Ministry so far but it is planned to get funds from local sources soon.

d. From casual observation, the engineering features seem sound enough but there is a tremendous amount of excavation needed to put through the canals. They intend to use the spoil from the canal excavation to fill in and reclaim land along Tokyo Bay near the outlet. The project seems to be progressing in a piecemeal manner and it was suggested they start at the bay end and push the canal back reclaiming as they go and barge the excavated dirt out to the bay rather than haul it by rail.

e. It is strongly recommended that SCAP exercise guidance and continue surveillance over this project. Because of its magnitude, it has enormous possibilities for the misuse and inefficient use of funds.

14. Reparations Plants:

a. Inspections were made of 12 reparations plants and two oil storage facilities during the month and maintenance and custody were satisfactory.

b. At the 2nd Naval Air Depot at Kisarazu, 61 authorized use items and 40 temporary operation items were withdrawn because the user, Shinkoiwa Railway Repair Shop, was closed down in accordance with econony program of the Japanese Government.

c. A motor reported stolen last month from the Nippon Kentetsu Kogyo Company, Code No. 04-5, was replaced by the company.

d. Reparations plants in the area were inspected 15, 16, and 18 August, by Mr. Sumida, Mr. Rudis, Mr. Yamada, and Mr. Levan of the Economic and Scientific Section, SCAP.

15. Stimulation of Industry:

a. A survey of business and industry throughout the Prefecture was started the early part of the month with visits to the Tateyama and

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Kisarazu area. The purpose of this survey was (1) to determine the condition of business and industry; (2) the degree of unemployment; (3) the prospects for expanding old industries or establishing new ones which would assist the economic recovery of the region and (4) to check on the programs and activity of the commerce and industry associations.

b. In the Tateyama area, the principal industry has been fishing and marine products which employs about 7,000 or 8,000 people. There is a large diesel engine manufacturing plant, 2 boat building companies, and some small plants for the manufacture of "getas", fans, and window shades. Fishing has been poor and there is a growing problem of unemployment and the need for shifting people from fishing into other pursuits. Under consideration is a breakwater and harbor improvement project which would make Tateyama a port for vessels up to about 2,000 tons, but no preliminary plans or estimates have been made for it as yet. An inspection was made of the Ikegai Iron Works (Ikegai Tekkojo), Tateyama City. This plant consists of a foundry, machine shop, and assembly plant. This company manufactures diesel engines up to about 250 H.P., most of which are used on fishing boats. The production is about 10 engines per month and about 500 people are employed. Their main problems and obstacles to expansion they say are financial. They had formerly been a subsidiary of a large Tokyo firm but since this association was dissolved under the law they no longer have the assistance of the parent organization. The Tateyama Commerce and Industry Association has about 800 members who have a general meeting once a year and 22 managing officers who meet twice a month. The head of the association lacks enthusiasm and drive and is apparently not too well informed. It was recommended that they consider the tourist possibilities of the area as with its many beaches and scenic attractions, it could become a popular tourist center in normal times. It was also recommended that they make plans for encouraging new business and new projects which would provide employment and build up the economy of the region. However, it is doubtful if much will be accomplished until the association gets better and more aggressive leadership.

c. A visit was made to the Kisarazu Commerce and Industry Association during their meeting. Energetic and enthusiastic leadership was in evidence here. The city is sixth in size in the Prefecture. There are no large industries; about half the town is engaged in agriculture. There is a large fishing industry, but it is mostly for shellfish and shrimp. Fishing has been bad but many fishermen have part time jobs in agriculture. They have many plans and projects for new business and industry, among which are a textile business, improved fishing facilities, a tobacco business, and automobile parts plants. Lack of money and credit are the principal obstacles to business progress. The businesses here are not of a classification which can get assistance from the counterpart fund.

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The association has about 512 members and 88 officers. Officers hold meetings once a month.

d. We have been following with interest the efforts of Nippon Nosan Kogyo K.K. to establish a sweet potato processing plant in Tomisato village for the production of sweet potato flour, yeast, and alcohol. We believe they have a good process which can contribute much to the utilization of the sweet potato crop, the food situation, and the economy of the area. Their main problem at present is raising sufficient funds to make the necessary plant additions and get into production. Reports on the process and copy of loan application have been forwarded to the Economic and Scientific Section of SCAP where it is hoped suitable guidance or assistance may be rendered to get this project underway in time for the 1949 crop.

e. Due to the early dissolution of the civil affairs teams, it is doubtful if this economic survey of the Prefecture will be continued. The principal problem facing business seems to be lack of money and credit. The banks do not seem to be in a position to make the kind of loans and under the terms needed and there seems to be no other suitable source of capital for small, medium, and new enterprises.

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Annex "D", Economics Summary (RCS MG 11 (R2))
to Monthly Civil Affairs Activities Report
Ehime Civil Affairs Team
1 to 31 August 1949

SAM G. LEW
Capt., Inf.
Economics Officer

1. Agriculture

a. Crop Condition

The rainfall of 16.7 mm last month was a great help to the sweet potato and vegetable crops. The lack of water had retarded their growth. Rice blight has broken out in the mountainous areas. Approximately 200 cho of rice paddy in the mountainous area of Kamiukena-gun is affected with an estimated loss of 40%. The use of chemical spray has checked the disease for the present. In Higashiuwa-gun, another mountainous area, "imochi" disease broke out in 13,000 chobu of paddy field. The extent of the damage is unknown at present.

b. Farm Extension

The Prefectural Assembly has appropriated ¥9,734,550 for the hiring of 125 additional extension agents. It is planned by the Farmland Improvement Section to have towns and villages bear one-third of the expenses for the additional agents. However, the Ken has no assurance yet that all towns and villages would co-operate. If all parties concur, examination of applicants will start around 15 September. Three day conferences of young farmers groups and 4-H Club members were held in the southern, central, and eastern part of Ehime last month. The conferences were well attended and much enthusiasm was manifested by those present. Lectures were given by the head of the Ken Land Improvement Section and other officials of the Agricultural Section. There was also a conference of young fruit growers at the fruit experimental farm in Dogo, Matsuyama-shi. The extension agents in this prefecture visited 13,275 farm houses during the month of July. Some of the information disseminated was prevention and combatting of disease on rice and sweet potato plants, sanitation and prevention of live-stock disease. Agricultural information was also disseminated through radio broadcasts and leaflets.

c. Land Reform

The land reform election held on 18 August 1949 was not too successful in spite of intensified publicity the last few days before the election. This might be due to the heavy rain on that day. Out of 263 towns and villages, 206 did not hold formal elections. The reason given was that there were only sufficient candidates to fill

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the vacancies, therefore it was not necessary to hold an election. There were only 3,130 candidates for the 2,735 positions in this prefecture. In places that did hold a formal election, approximately 72% of the eligible farmers voted. Two villages had to postpone their election to the 20th and 22nd of August because of road damages caused by the heavy rain. There was no land sold or purchased during August. 469.6 cho of farm land is still under government jurisdiction.

d. Agricultural Co-operative Association

One sericultural and eight land development co-operative associations were formed during the month of August. The Ken Agricultural Cooperative Section received 610 copies of leaflets from the Central Government on the interpretation and explanation of the revised law. These leaflets were passed on to the local offices and co-operative associations. Last month the Ken Section printed and distributed 15,000 copies of a pamphlet on the "Organization of Youth Co-operative Association Groups" to schools, federation of co-operative associations and local affairs offices. The purpose of the pamphlets is to prepare youths to assume the responsibilities of co-operative association officials. Two radio broadcasts on agricultural associations were made over the local station for the reporting month. It is planned by the Ken Office to hold lectures next month on the proper method of making out reports required by the Central Government. The Ken Office also plans to send two men from each gun to Okayama, Kyoto, Shiga, and Gifu Prefectures to study outstanding associations of these prefectures. Co-operative associations of Nakahagi-mura and Sumino-cho were visited by a representative of this office. Formation and subsequent operation of these co-operatives have been done according to law and both seem to be functioning smoothly.

2. Crop Collection

a. Crop Collection

(1) The reduction in the wheat and barley quota for this prefecture is 32,000 koku and not 32,800 as previously reported. Members of this team participated in commendation ceremonies for ten towns and villages, one city, and eighteen individual farmers during August for outstanding achievement in prompt delivery of wheat and barley and white potatoes. The Ken Food Section with the assistance of this office arranged a tour of the fertilizer plants of Nisshin Chemical Company, Niihama. This company later treated the farmers to a dinner and an evening of entertainment. The farmers were deeply impressed, one of them later volunteered the information that they held a meeting afterwards to discuss means by which they could urge the farmers in their guns and cities to greater efforts in crop production and delivery. The collection of wheat and barley for the prefecture is very satis-

factory as a whole. The collection of white potatoes is slow because of damage to the crop by typhoon "Della". One gun was only able to fulfil 50% of it's quota. The present status of the food collection is as follows:

	Quota	Amount Collected	Amount in %
Barley	193,800	201,104	103.8 %
White Potato	1,465,000	1,257,914	85.9 %

(2) The Agricultural Adjustment Committee of one village resigned because it could not assume the responsibility of having the farmers in their village fulfil their quota. One agricultural co-operative official, one kodan official and an prefectural official of a Ken Local Office were arrested last month for shady dealings in staple-food.

b. Incentive Goods

A truck transporting 2,868 tan of cotton textile, 1,180 working coats, and 176 trousers caught on fire from an overheated generator while in transit. Most of the goods were saved however, only 638 tan of cotton textile, 206 working coats, and 19 trousers were damaged. The distribution of incentive goods at Ken level is functioning smoothly. All goods received by the Ken are forwarded to lower agencies promptly. Goods on hand as of 2 September 1949 are:

For 1948 Rice and Sweet Potato Crop

Cotton Fibre	- 2,183 rolls
Woolen Pants	- 1,730 prs.
Cotton Undershirt	- 1,126
Sweater	- 571
Woolen Shirts	- 999
Cotton Shirts	- 5,283

For 1949 Barley & White Potato Crop

Cotton Fibre	- 2,637 rolls
Cigarettes	- 2,190 pieces

3. Food Distribution

a. Two distribution points and warehouses were inspected for the reporting month. One place was in very good condition, but the condition of the second warehouse was deplorable. Rat holes and nests were found in the warehouses, bales of corn were half eaten by rats, the bales were poorly stacked and there were no fire extinguishers. The unsatisfactory conditions of this warehouse was reported to the Head of

the local MAF, who took immediate action and had the responsible individual replaced. These conditions still exist at some places in spite of strenuous efforts put forth by the local office of the MAF and this office for the past two months. The Head of the local MAF informed this office that beginning with the 1949 sweet potato crop, potatoes will be purchased by the Central Government from month to month as is needed and not all at once as in the past. Strong objections from farmers are anticipated by the local MAF.

b. Restaurant Control - Restaurant Control is still very lax in the prefecture. However, due to the instigation of this office, the enforcement agencies are beginning to tighten down. Numerous restaurants are operating without licences. Thirteen cases were referred to the procurators office last month and numerous others were warned. The number of licences issued during the month of August is 266, bringing the total up to 2,793. The number and type of licences is as follows:

Type	Issued during August	Licences issued to date
Light Restaurants	147	1,534
Tea Rooms	68	380
Hotels	43	842
Meal Coupon Restaurants	8	33
Noodle Restaurants	0	4
TOTAL:	266	2,793

c. Fish - During this reporting period officials from the Ken Fisheries Section, their local offices and the Local E.I.B. gave lectures at fishing associations in various parts of the prefecture. People attending these meetings were urged to study the bottlenecks of the distribution programs for distributing fish, and incentive goods and to take steps to overcome them. Current laws and regulations were also discussed. Officials of the Ken Fisheries Section have succeeded in obtaining ¥40,000,000 as a temporary fund to be used to repair harbors damaged by the typhoon "Della" and ¥30,000,000 as a restoration financing fund to purchase 140,000 lbs thread and 120,000 lbs manila rope to be used in making fish nets. An official from the Central Government is now in this prefecture to conduct further investigations of damages caused by the typhoon "Della".

Enforcement officials have exercised routine surveillance during this reporting period. Checks were made on fish retailers, receiving and shipping agencies, railways and harbors. No major violations were reported, the largest was 91 kan of sardine, which was processed illegally. Corrective action is being taken on the violators. The E.I.B., N.R.P., and municipal police are conducting organized raids on suspected violators. 57 violators were sent to the procurators' office from 20 July to 20 August. Fish catch from 1 to 20 August is as follows:

Production Quota	Amount Produced	Momme per Person per Day	Amount Imported
1,407,400 kan	662,779 kan	2.9 momme	26,352 kan

The work of a receiving agency in Nagahama-cho was found so unsatisfactory that his licence is being revoked.

Commendation ceremonies are to be held during September for fishermen who have turned in the largest amount of fish. The Ken Fisheries Section is to award banners, as well as commendation certificates to outstanding individuals and groups.

4. Fisheries Cooperative Program

a. Indications have shown that the progress of forming new Fishing Cooperatives in this prefecture during August is proceeding with more enthusiasm than usual. 70 cooperatives have held inaugural general meetings of formation, 49 cooperatives have been approved by the Ken, and 56 more have applied for approval.

b. Continued emphasis is being placed on the Fishing Cooperative Information Program through radio broadcasts, newspaper items, and posters.

c. The Chief of the Ken Economic Department sent letters to the chiefs of all local affairs offices urging them to continue to exert pressure on the formation of co-operative associations. Lectures on this topic are to be held in all parts of Ehime during September.

d. Letters of commendation were presented to winners with the best designs for posters on the formation of fisheries cooperative associations. The contest was sponsored by the local newspaper, who later took the winners on a two day trip to visit various industries of this prefecture.

e. The Fisheries Cooperative Associations of Ikata-mura and Nagahaya were checked during August. These appear to have been correctly organized under provisions of the Fisheries Co-operative Association Law and are running smoothly.

f. Fishermen of Ehime are showing a healthy interest in overthrowing the old association "bosses". The procedure of electing officials has been seriously carried out in all areas visited.

5. Forestry

a. There was no artificial reforestation for the reporting month. Stress is being continued on the proper care and protection of seedling

plants. The Ken reported that seedling plants will be adequate for the reforestation program of this fall.

b. Interviews with members of the Kamiukena-gun Local Office revealed that some forestry owners are still in fear of having their land purchased by the Central Government for convertion into farm land.

c. No alarming outbreaks of pine bark beetle has been reported to this office, although some cases have been discovered in areas not previously infected. The amount of land in this prefecture requiring reforestation is 31,605 cho. An area of 340.4 cho was cut during the reporting month. The production of forestry products for the month of August is shown below:

Item	Quota for 1949	Amount Collected during August	Amount Collected as of 31 Aug. 49
Lumber	1,157,300 koku	65,535 koku	346,044 koku
Charcoal	41,400 tons	1,174 tons	12,881 tons
Firewood	1,344,200 koku	15,445 koku	122,034 koku

6. Transportation:

a. Spot checks were conducted on traffic between Matsuyama and Yawatahama. During the process, no violations were found.

b. The result of 140 check points operated by police this month is as follows:

Trucks	- 6,267
Freight Cars	- 120
Boats	- 854
Total:	7,241

Number of Violations: 38

c. The majority of items involved in these violations were approx. 1,591 kan of staple and controlled food.

7. Electric Power

a. The amount of electric power supplied to consumers exceeded the original allocation by 534,475 KWH. The total electric power generated in August was 57,191,535 while the allocation was 56,657,060 KWH. However, the amount generated is 9,344,890 KWH below that of the previous reporting month. This decrease was credited to the dry season, and the shut down of two (2) power plants for repairs during the month of August.

DECLASSIFIED E.O. 12065 SECTION 3 NND No. 770048

b. Violations in the excess use of electric power numbered 5,421 with a total of ¥3,073,317.70 collected in fines for the month of July 1949. The power supply to two (2) paper mills in Mishima has been suspended because they have exceeded their power allocation for the past 6 months and have failed to pay fines that have accumulated to a total of ¥500,000. This suspension will continue until the companies concerned show signs of sincerity and make an effort to pay their fines.

8. Public Works

a. The construction of the Dozan-gawa project is being held up because of the objections of Tokushima Prefecture to the diverting of water from their prefecture. All the construction is well within Ehime, but the river flows into Tokushima. Consent of Tokushima is not essential to continue the construction, but is desired by the Ken government of Ehime. The conditions set forth by Tokushima before it will acquiesce to the constructions are; the dam must be finished by 1951, and one half of the electric power produced at that site must be supplied to their prefecture.

b. Ehime Prefecture is unable to accept these conditions as it is unable to predict when the dam will be finished due to the curtailment of subsidies, and the amount of electric power demanded by Tokushima is unreasonable. Further negotiations will be carried out in the near future.

DECLASSIFIED E.O. 12065 SECTION 3 NND NO. 770040

R E S T R I C T E D

HEADQUARTERS
FUKUI CIVIL AFFAIRS TEAM
APO 301 (Fukui, Honshu)

Reports Control Symbol CA-11 (R2)

L. W. JORDAN, CAF 11, Chief
1st Lt CHARLES W. MOLOHON, Natural Resources
M SGT JOHN H. DOMS, Commerce & Industry

ANNEX D

To Monthly Civil Affairs Activities
Report for Period Ending 31 Aug 49

ECONOMICS SUMMARY

1. AGRICULTURE:

a. General:

Much needed rain came in time to prevent severe damage to crops. Sweet potatoes which were on the verge of being destroyed by drought, now have a chance of meeting crop expectations. The prefectural government appropriated funds to complete the Farm Animal Breeding Station, making this an absolute Ken project which is 95% complete. This action was necessary for the preservation of the farm animals. In conjunction with 4-H Club work, the agricultural programs at this farm will be operated by young people of these clubs. Training courses for Trichinosis disease were held and attended by 70 veterinarians.

b. Land Reform:

The election of commissioners progressed in an excellent manner. There were no violations or commotion noted at any polls. Though valuable aid was received from newspapers and broadcasting stations, who explained rules and urged the filing of applications, there were not enough candidates to make a contest in the smaller localities. It is believed that this is due to the near completion of the land reform program. The first general meeting of the new commissioners was held and attended by a representative of this Team. Plans for the coming election of the Ken Committee were made. There was 238 cho, 8 tan of farm land sold this month. Progress of the program is now 98% complete.

c. Farm Cooperatives - Nogyo Kai:

Five cooperative meetings were attended by Team representatives. It is noted that the women, who have been urged to attend, are now beginning to voice their opinions on matters brought before the meetings. There were

no new cooperatives formed, the total remaining at 248 unions and 9 federations. Assets have been transferred from 173 old Nogyo-Kai organizations leaving only 10 more to complete the program. Report Number 2 on the Agriculture Cooperative Unions was printed and distributed to all cooperatives of cities, towns and villages. The officials from all local branch offices were assembled on 3 August to explain to them the reason for the investigation of the economic situation of cooperatives, which was ordered by the Ministry of Forestry & Agriculture.

d. Extension Service:

Workers are very popular and are doing an excellent job. It is noted that this project has achieved great success. Workers are diligent in the forming of 4-H Clubs. It must be noted that 4-H Clubs here are being formed on a foundation that took 3 months of prior preparation and planning. In comparison with other prefectures, where they merely changed the names of local youth groups, the number of members is smaller. The Agriculture Section declined to use this method of forming clubs, because the youth groups are tainted with politics, have feudalistic trends, are controlled by the schools and cannot possibly agree with the basic principles of a 4-H Club.

2. CROP COLLECTION:

132.85% of the wheat-barley and 102.4% of the white potato quotas have been collected. Considering that the dead-line date was set back a month, the above figures show that the majority of farmers are not waiting until the last moment. Some credit for this must be given to local newspapers who have constantly urged farmers to deliver their crops. Damage to rice plants in the Wakasa area is great due to the flood caused by typhoon "Hester". Imoch, Nikka-Meichu and Yattochu diseases to rice plants have been found throughout the prefecture. Sweet potatos were damaged by drought but have improved slightly due to recent rains.

3. FOOD DISTRIBUTION:

EIB continues to spot check ghost rations and found 31 violators. 40 food warehouses were inspected and with the exception of a few where proper storage was neglected, they were all found to be in good condition. It is noted that more attention is being given to the proper storing of food than in the past. A large amount of flour stored in warehouses in the Wakasa area, damaged by the typhoon. This flour was immediately transported to the noodle factory at Tsuruga to be processed as quickly as possible to prevent loss. There is a total of 3,494,434.53 kgs of imported food on hand.

4. FISHERIES:

165,182 kan of fish were caught this month. This is a decrease since last month but still much higher than the corresponding period of last year. Yellow-tail and mackerel are still being caught in large quantities.

ANNEX D to Monthly Fukui Civil Affairs Activities Report for period Ending 31 Aug 49

There were 104,805 kan exported and 60,377 kan consumed locally. The unusually large fish catch this year has made the majority of fishing people financially independent. More fishermen own their own boats than ever before. The large catch this season has made it possible to sufficiently supply the market, preventing possible temptation to black-market. The ice manufacturers have been at maximum production in order to keep up with the demand. All materials for fishermen are on hand and generally speaking the fishing season this year has been excellent.

5. FISHING COOPERATIVES:

There are 57 cooperatives established. 27 are awaiting approval. This completes 84% of the program for the newly established cooperatives. Information received has indicated the completion of this program by 5 September 1949. There has been no difficulties known in this reorganization. The visual aid teams gave much needed support to this project. For the completion of this program, they will again travel throughout the prefecture and conduct a series of lectures, show films as part of the program explaining how to operate a cooperative. Prefectural agents have been the biggest factor on the explanation of the Fishing Rights Law.

6. MINING:

6,382 tons of silica was mined, equivalent to 67% of the production goal. The market for silica has increased with steel production. Lignite mining reached 75% of their production goal. Trouble still prevails at the Nakatatsu Mine which produces zinc and lead. This mine has closed down due to labor troubles and no demand for their product. A new coal mine has been discovered and the coal is of the best quality found in Japan. This mine is located close to rail transportation.

7. INCENTIVE GOODS:

Incentive goods for the delivery of the rice and sweet potato crops for 1948 has been completed. Incentive goods for the 1949 wheat, barley and white potatoe crops have been received and distributed. The allocations were all met with exception of Japanese tobacco and sake. Tobacco shortage was 642,500 pieces and sake shortage was 19 koku. The condition of incentive goods has improved over the past on its arrival here. The quality is acceptable and no recent errors in classification have been noted. This was due to the recent ruling on returning of shipments to the shipping agency.

8. FORESTRY:

Charcoal control system was changed to prefectural control. Official prices are now decided for consumers only and this is causing uneasiness among the producers. Only 20% of proposed goal was collected. Firewood

production was 10% of the set goal. Lumber production is at 28%. The reforestration plan for this year was authorized by the ESB but was small due to financial problems. A ¥20,000,000 grant by the Central Government and ¥10,000 bond authorized by the prefectural government, will increase the reforestration program. Reforestration for shelter belts, sand guards, show guards and flood prevention will be planted this fall. Reforestration in the past has been small and if 50% of the proposed plan can be completed, it will be better than ever realized before.

9. TRANSPORTATION:

National and private railroads handled a total of 126,181 tons of freight which reflects a reduction of 19,049 tons as compared to last report period. Governmental and private trucking concerns handled a total of 231,069 tons which is an increase of 62,242 tons over July reports. The decrease in rail freight is attributed in part to the general decrease in marine coal transportation to Tsuruga Port, also owing to the reduced fish catch during this period.

10. ELECTRIC POWER:

Electric power generation for this period amounted to 33,200,600 KWH. Of this amount 24,767,600 KWHs were consumed locally and the remainder delivered to other prefectures. The typhoon "HESTER"which swept through the southern part of this prefecture caused considerable damage to the power distribution system in Onyu gun. 120 power line poles were swept away or broken and 13 transformers were damaged. Repair has been completed at a cost of 680,000 yen. The Hokuriku Haiden Fukui Office investigated 28,816 consumers and 2,964 violators were uncovered.

11. CONSTRUCTION - PUBLIC WORKS:

Building reconstruction since the earthquake of last year shows 94% completion in Fukui City and 89% in rural areas. Control concerning the construction of non-essential buildings is being continuously enforced. The typhoon "HESTER" caused considerable damage to public works in the Wakasa area. 6,872 meters of road and 49 bridges were washed out. Total damage amounted to ¥188,897,500. As a result of this typhoon, the main highway between Obama and Otsu is now almost impassable for any type of vehicular traffic. Restoration of the damaged areas is being carried out.

12. CRITICAL MATERIALS - EX-MILITARY SUPPLIES:

a. The Fukui Agency of Industrial Reconstruction Kodan took over the following hoarded goods:

Rayon Cloth	458 sq yds
Cotton Cloth	16 bolts
Cotton Yarn	867 lbs
Clothing	50 pieces

ANNEX D to Monthly Fukui Civil Affairs Activities Report for Period Ending 31 Aug 49

b. Representatives of this team collaborated with the local EIB in checking 3 fishing cooperatives warehouses in connection with critical materials inventories.

c. Information was received concerning a large amount of hoarded goods being stored at the Kanazu Factory, Jomo Twisting Yarn Co., Ltd. Investigation revealed 100 bales of imitation woolen yarn (silk). This material has been confiscated by the Nagaoka Procurators Office in Niigata Ken.

13. IMPORTS - EXPORTS:

Although the number of working days in August was reduced as much as a week in silk and rayon industries due to the "OBON" festival, the July level of approximately 5,200,000 square yards was maintained in silk and rayon textile production. Total textile export sales amounted to 700,296 sq yds which reflects a 3% decrease under last month. The Fukui Textile Industry reports a decrease of 563,062 sq yds in silk and rayon export shipments. The Fukui Agency of the Textile Foreign Trade Kodan delivered 682,426 sq yds (11,889 bolts) of silk fabric and 133,724 sq yds (2,339 bolts) of rayon fabric, produced in accordance with the governmental production plan for exportable fabric, to the headquarters of the Textile Foreign Trade Kodan. The New Design and American Textile Samples Exhibition was held in Fukui City on 30 and 31 August sponsored by the Fukui Ken Foreign Trade Promoting Committee. Various patterns selected from among all Japanese patterns and new textile samples collected by the Japan Foreign Trade Institute were exhibited.

14. STIMULATION OF CRITICAL INDUSTRIES:

13,000 tons of coal and 690 tons of coke are stock piled by the Fukui Solid Fuel Distribution Kodan at various places within the Ken. The Solid Fuel Distribution Kodan will be abolished by the 15th of September 1949. Production of Agate-ware has been seriously curtailed due to lack of export orders and the fact that when forced to sell on the domestic market few people purchase agate-ware because of the high commodity tax attached thereto. The Fukui Fertilizer Distribution Kodan distributed 925 tons of fertilizer to farmers during this report period.

15. REHABILITATION COMMITTEE:

The General Affairs Section of the Fukui Ken Rehabilitation Committee submitted a plan concerning the improvement in the present tax system and the confidential back deposit system to the Ken Finance Ministry and the E.S.B. Several lectures were held with reference to the trading situation in South America and East India.

16. CONTROL ASSOCIATIONS:

The following control associations have been dissolved:

Ono-machi Street Stalls Assn
Katsuyama-machi Street Stalls Assn
Fukui Ken Katsuyama District Foodstuffs Retailer Cooperative Assn
Fukui Ken Ono District Foodstuffs Retailer Cooperative Assn

Associations scheduled for further dissolution include Town and Village Forest Associations, Fukui Ken Fishery Association, 92 town and village fishing associations and one Special Fishery Association. All of these associations have at this date held their preliminary general meeting for purpose of dissolution.

17. ECONOMIC INVESTIGATION BOARD:

a. 362 investigations in staple foods, textiles, metal, oils and fats, fishing materials and rent fees, were made resulting in 92 prosecutions. A clothing shop in Fukui city was investigated and ¥1,000,000 worth of controlled textiles and goods were confiscated. This shop was operating in direct violation of present regulations and laws concerning the handling of controlled items.

b. 149 violations of the new Restaurant Control Law were uncovered in Fukui City, Tsuruga City and Takefu City. Of these there were 7 prosecutions and 142 warnings given.

RESTRICTED

HEADQUARTERS
FUKUOKA CIVIL AFFAIRS TEAM
Fukuoka, Kyushu
APO 24-5

MONTHLY OCCUPATIONAL ACTIVITIES REPORT
Month Ending 31 August 1949

ANNEX D

ECONOMICS SUMMARY
Mr. E. D. ARMAGOST
Economics Officer

1. AGRICULTURE:

a. With the advent of the typhoon "Judith", paddy fields and rice crops suffered additional damage. Symptoms of decay among rice plants is already in evidence. Much damage was noted to farms adjacent to streams and rivers where high water washed away the banks and levees and large parts of agricultural land. Loss of bridges and roads created an obstacle to farmers who were attempting to act quickly to decrease damage.

b. Agricultural Cooperatives:

Three (3) more cooperatives were formed during August. The total to date is now 429.

The Prefectural Government is now in the process of establishing a training school for the agricultural cooperative staff members.

There are fifteen (15) agricultural associations yet to be dissolved in this prefecture. The principal difficulty lies in inability of the various members to reach an agreement on the disposition of the real estate involved. Every effort is being made to speed up the dissolution process.

c. Extension Service:

A summer refreshor course was given in each agricultural experimental station for the farm advisors in the area. The instructors in the above classes were specialists drawn from the Prefectural Agricultural Improvement Section.

d. Fertilizer:

(1) The distribution of spring fertilizer as of 31 August 1949 is as follows: (Unit: Metric tons)

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BASIC: Annex D, Economics Summary Report, Fukuoka Civil Affairs Team, Month Ending 31 August 1949

Item	Allocation	Received	Distributed
* Ammonium Sulphate	29,339	28,818	28,805
* Phosphate	14,302	14,302	14,289
* Potassium	3,728	3,728	3,727

(2) Distribution status of the Autumn fertilizer as of the end of August 1949 is as follows: (Unit metric tons)

Item	Allocation	Received	Distributed
* Ammonium Sulphate	22,918	17,161	5,157
* Phosphate	19,216	9,758	4,111
* Potassium	2,872	3,669	612

NOTE: Fertilizer Distribution Kodan received Potassium over the allocation. In order to cover the damages by "Judith" typhoon, 300 tons of fertilizer, special allocation, was given to farmers by prefectural government.

(3) Allocation of August-December 1949 fertilizer to individual farmers has reached 38% as of the end of August.

(4) Fertilizer dealers in this prefecture are requesting that the dealer's commission be increased to three (3) times the present rate, or ¥17.30 per ten (10) kan.

2. LAND REFORM:

There was very little accomplished in land registration during August as emphasis was shifted to the local land commission elections.

As a prefectural average, approximately 80% of the written rental contracts have been completed. It is expected that with the help of the new land commission, all of the written rental contracts will be signed by the end of September.

The Prefectural Government has requested an additional ¥3,000,000 from the National Government to finance the registration program.

3. LAND RECLAMATION:

There were no sales of reclamation land during the month of August. The statistical figures to data are as follows:

Estimated area to be reclaimed	12,000 cho
Land purchased to date	11,249 "
" " in August	9 "
" resold to date	2,984.7 cho

There have been some errors noted in the figures submitted by the Ken Land Section.

BASIC: Annex D, Economics Summary Report, Fukuoka Civil Affairs Team, Month Ending 31 August 1949

An investigation has been initiated in an effect to ascertain the true state of affairs.

4. CROP COLLECTION:

Crop collection statistics as of 31 August 1949 are:

ITEM		QUOTA	PURCHASED	PER CENT
Wheat	(Koku)	419,500	355,399.8	84.67
Potatoes	(Kan)	4,540,500	6,672,115.6	146.96
Rice	(Koku)	1,147,600	1,158,524.6	100.95
Sweet Potatoes	(Kan)	11,314,000	18,101,588.1	159.9
Rice*	(Koku)	8,000	10,924.1	136.55

* Over quota rice delivery.

Wheat purchases indicate a small increase because farmers are being urged to turn in only that wheat which is available after retention is deducted. Also, the Ken Government has extended the delivery completion date to 15 September 1949, but feel certain of collecting only 90% of the quota. Because of the high loss of crops and the unbalanced adjustment made, the Ken officials feel that 100% is impossible to attain. The low percentage (84.67) reflects the change in the farmers' attitude brought about by the new Ken Policy.

5. FOOD DISTRIBUTION:

a. Coal Mines:

Coal mines are continually delinquent in payments to the Food Distribution Kodan for food received and distributed. Kodan officials are timidly trying to collect this debt but are hesitant to use positive measures because they do not wish to antagonize the larger mine operators.

b. Bakeries:

Much blackmarket activities among bakeries can be eliminated if basic items were made available to bakeries. Yeast, Mizuame, oil (various types), sugar and salt at present are scarce and difficult to get through legitimate channels, but there is an abundant supply on the blackmarket.

c. Meat Consumption:

Meat consumption per capita for August was:

Population	Production	Per Capita
3,312,577	206,760 kg	62.4 grams
2,917,568*		70.9 "

BASIC: Annex D, Economics Summary Report, Fukuoka Civil Affairs Team, Month Ending 31 August 1949

* Does not include children under six (6) years old.

6. FISHERMEN'S COOPERATIVE ASSOCIATIONS:

Nineteen (19) Fishermen's Cooperative Associations were formed during August.

Totals to date are:

Fishermen' Cooperative Association		49
" Products	"	3

Of the two (2) fishing villages visited during the month, one (1) had already been approved and the other was in the process of drawing up a petition for approved.

Everything considered, the entire program is moving along very well. It is expected that the program will be completed before the middle of October.

7. MINING:

a. Coal production for August was 1,204,343 tons or 98.2% of the established quota of 1,224,400 tons. Production by districts for August is indicated below:

District	Goal	Production	Percent
Chikuho	951,000	932,034	98%
Kasuya	105,200	92,608	88%
Miike	167,400	179,700	107%
Total	1,224,400	1,204,342	98.2%

It is estimated that the "Judith" typhoon, which struck Kyushu on August 16th, caused 34,631 tons of production loss.

b. Mine Timbers:

The forest areas on Kyushu which supply mine timbers sustained considerable damage in the last typhoon. This Damage plus the usual financial shortages at the mines and mine timber dealers has served to keep the mine timber supply at a minimum. It is encouraging to note, however, that the mines have reduced their debt to the timber dealers by 6% during August.

BASIC: Annex D, Economics Summary Report, Fukuoka Civil Affairs Team, Month Ending 31 August 1949

8. INCENTIVE GOODS:

a. Coal Mines:

ITEM	ALLOCATION	RECEIVED	DISTRIBUTED	IN STOCK	NOT RECEIVED
(Oct-Dec '47)					
Puttees	108,730	101,688	96,544	5,144	7,042
(Jan-Mar '48)					
U.S. Socks	20,120	19,809	19,387	422	311
Underwear	137,940	135,954	135,723	231	1,986
(Apr-Sep '48)					
U.S. Jackets	37,852	37,823	37,823	0	29
U.S. Shirts	20,064	20,023	20,023	0	41
U.S. Trousers	71,254	68,849	68,831	18	2,405
U.S. Suits	40,070	39,734	39,734	0	336
(Jun '48)					
Underwear	30,556	31,682	30,552	1,130	1,126
(Oct-Nov '48)					
Gloves	164,810	164,765	41,669	69,856	53,285
(Oct-Mar '49)					
Clothes, Work	151,460	151,460	142,254	2	9,204
Puttees	97,860	92,814	70,609	22,205	5,046
Towels	244,990	244,986	244,983	3	4
U.S. Underwear	97,840	97,848	97,813	35	8
Gloves	86,850	86,839	84,373	2,466	11
Bedding	8,900	2,595	2,499	96	6,305
(Jan-Mar '49)					
Jikatabi	200	200	170	30	0
(Apr '48-Mar '49)					
U.S. Blankets	91,603	91,259	29,169	2,090	344
Puttees	7,148	7,057	6,862	195	91
Canvas Bed	300	300	251	49	
(Apr-Sep '49)					
Towels	109,210	109,200	81,418	27,782	10
Soap	2,688,180	1,246,800	1,059,533	187,267	1,467,880
(Apr-Jun '49)					
Gloves	208,330	44,331	12,986	31,345	163,999
(Apr 1949)					
Mosquito Nets	10,501	10,584	10,133	451	83

BASIC: Annex D, Economics Summary Report, Fukuoka Civil Affairs Team, Month Ending 31 August 1949

ITEM	ALLOCATION	RECEIVED	DISTRIBUTED	IN STOCK	NOT RECEIVED
(Jun 1949)					
Socks	50,660	50,637	47,602	3,035	23

All items not marked U.S. are Japanese made. Any item not appearing on this list has been received and distributed.

b. Farmers:

The following areincontivo goods for 1948-1949 Rice and Sweet Potatoes:

ITEM	ALLOCATION	RECEIVED	DISTRIBUTED
Jikatabi	108,400	108,400	106,742
Cigarettes (Released)	147,422	145,941	145,941
Undertrousers, Wool	10,104	7,151	4,580
Trousers, Cotton	7,150	7,150	5,010
Trousers, Wool	8,801	8,250	4,250
Shirts, Wool	4,500	4,500	1,967
Shirts, Cotton	5,050	2,550	2,550
Coats	1,000	1,000	0
Socks	9,853	9,853	6,621
Shoes, released	4,869	4,867	4,867
Jackets	1,000	1,000	0
Candy	10,000	0	0

All items not listed have been distributed.

Incentive goods or Wheat and Potatoes 1949:

ITEM	UNIT	ALLOCATION	RECEIVED	DISTRIBUTED
Clothes, Cotton	Pcs	114,200	106,626	0
Towels, Cotton	Pcs	58,000	56,000	0
Jikatabi	Pr	25,300	25,300	20,240
Tires, Bicycle	Ea	6,100	6,100	4,860
Tubes, Bicycle	Ea	6,100	6,100	4,860
Rear Car, Tires	Pcs	600	600	480
Rear Car, Tubes	Pcs	600	600	480
Cigarettes 1,000	Pcs	4,753	4,653	0
Mosquito Nets	Pcs	1,350	1,350	0
Sake	Koku	1,043	1,043	0

The delay in distribution to farmers is caused by dissentive competition between the two agencies handling the incontive goods. The Ken Government is attempting to eliminate this delay.

c. Vegitale Incentives:

BASIC: Annex D, Economics Summary Report, Fukuoka Civil Affairs Team, Month Ending 31 August 1949

ITEM	ALLOCATION	RECEIVED	DISTRIBUTED
Bicycles	29	10	10
Roar Cars *	43	43	0
Rubber Boots	80	80	80

* Roar cars will be received 2 September 1949.

d. Incentive goods have been allocated for Tax Office Workers but none have been received to date.

e. Incentive shoes and belts for Metropolitan and National Rural Police have not been received. Fukuoka Ken is alloted 1,055 pairs of combat boots by the Regional office.

f. Fishermen:

Allocation for Apr-Jun 1949:

ITEM	UNIT	ALLOCATIONS MINISTRY	KEN	RECEIVED	DISTRIBUTED
Sake	To	83,400	5,780.8	86,400	5,780.8
Cigarettes	1000 Pcs	499	417.941	499	417.941
Gloves	Pair	32,669	24,351	32,669	24,351

Cotton Textiles have been allocated but not received. Items not listed have been received and distributed. Of the Jul-Sep 1949 allocation, 100,000 cigarettes have been received.

g. Incentive goods for the Food Inspectors, 995 pairs of released shoes, have not yet been received.

9. FORESTRY:

a. No reforestation was accomplish during the month of August. It is estimated that the typhoons "Della" and "Judith" damaged forest land in the amount of ¥374,300,000. The most serious damage occured in the northern half of the prefecture.

b. Production of forest products during the month of August are as follows:

Log	54,964 Koku
Lumber	61,241 "
Charcoal	728,651 kg
Fire wood	12,370 koku
Gasumaki	81,300 kg

BASIC: Annex D, Economics Summary Report, Fukuoka Civil Affairs Team, Month Ending 31 August 1949

c. Pine Bark Beetle Control:

The number of trees infected by the pine bark beetle have decreased rapidly in the past few months. To date, it is estimated that there are 8,420 koku of infected trees.

10. TRANSPORTATION CONTROL: (O.D. 70)

Check points made 1,129 arrests during August and confiscated goods amounting to ¥1,391,296. Staple foods, upon which most of the emphasis is placed, occupied the bulk of the items confiscated, although 1,474 pieces of clothing, worth ¥92,114 (official price) were picked up by one (1) police check point.

11. ELECTRIC POWER:

a. Kon Commerce and Industry Bureau reported on 19 August that the increased rainfall to date would provide additional power from the hydro plants. This was estimated to be about 100,000 KW for the month of August. With this increase a proportionate increase could be so made in the allocations already announced for the month.

b. On the spot inspection was made of the uncompleted Chikujo Plant, located at Unoshima. Present construction found to be in good condition. Construction begun February 1944 and stopped on year later account shortage of materials. The location is desireable as it is in the center of the industrial activity of Northern Kyushu. Also an adequate supply of coal is available from mines about 30 miles distant. Complete report of this project was made in letter and sent to Commanding General, Eighth Army, Attn: Civil Affairs Section, requesting favorable consideration be given this project.

12. CONSTRUCTION:

During the month of July, 1,195 ordinary dwellings, 40 public dwellings, 53 industrial laborers dwellings and 198 buildings other than dwellings were constructed. No coal miners houses were constructed during July.

13. IMPORT AND EXPORT:

1. The port of Moji reported inward shipment of 54,741 M/T of iron ore from Malya, 20,208 M/T from China, 8,464 M/T from India, and 19,880 M/T from the Phillippine Islands, a total of 103,293 M/T of iron ore. 86,286 M/T of Coking Coal was received from the United States. Other imports included 2,713 M/T of Molasses from Formosa, 15,215 M/T of salt from India, 2,140 M/T of Salt from China and 27,519 M/T of Wheat from the United States.

2. Outward shipments included 1,000 M/T of Cement for Hongkong 6,000 M/T of Cement for India, and 1,699 M/T of rails for Korea.

BASIC: Annex D, Economics Summary Report, Fukuoka Civil Affairs Team, Month Ending 31 August 1949

Thirty (30) SCAJAP vessels were inspected in August.

3. The port of Miike reported outward shipments 9,311 M/T of Coal for Hongkong.

Thirtytwo (32) SCAJAP vessels were inspected.

4. Although imports are maintaining a generally high level, a peak of 311,890 M/T being realized in July, exports have exhibited a sharp decline since the end of March, precipitating to a new low of 18,010 M/T in August, as compared to the January figure of 121,578 M/T. Imports from 1 January to 31 August have totaled 1,530,249 M/T. Exports for the same period have totaled 714,948 M/T.

14. STIMULATION OF CRITICAL INDUSTRIES:

Mining machinery companies are still laboring under a terrific financial load involving millions of yen. Although every effort has been made to lighten this load, outstanding accounts continue to mount.

Statistics for twentyfour (24) plants:

Yen	31 January 1949	31 August 1949
Orders Received	243,828,325	81,277,325
" Completed	215,591,972	146,837,545
* " Outstanding	986,848,353	513,311,202
* Accounts Receivable	353,093,207	615,867,796

* Accumulated.

15. REPARATIONS:

A flood of applications for movement and authorized use of reparations items was received by this headquarters from various Japanese sources. Japanese have received information that higher headquarters have relaxed their tight control on reparations and are taking every advantage to secure such items.

16. E. I. B. ACTIVITIES:

The first interim report on iron and steel investigation reveals illegal transactions of ¥41,027,567 in this prefecture. Most of these violations were selling or buying without an allocation coupon.

An interesting survey was conducted on business concerns in an attempt to disclose reasons for failures. The most common were, low purchasing power, tightening of funds and high taxes.

BASIC: Annex D, Economics Summary Report, Fukuoka Civil Affairs Team, Month Ending 31 August 1949

A breakdown for Fukuoka city.

Month	Number
January	143
February	71
March	355
April	231
May	148
Total	948

Category:

Wholesale Provisions	161
General Repairers	62
Groceries	40
Contractors	18
Antique Dealers	120
Tailors	45
Fish Retailers	24
Others	478
Total	948

17. SHIPBUILDING:

Two (2) delegates from U.S.S.R. arrived Fukuoka City 27 August 1949, for the inspection of two (2) tug-boats being constructed by the Fukuoka Shipbuilding Company. Two (2) additional tugs being constructed by the Izumi Shipyard, Moji City will be completed 15 September 1949 and 5 October 1949.

A 320 G/T oil barge, constructed by the Kyushu Shipyard Company, Wakamatsu City will be completed in September 1949.

18. RESTAURANT CONTROL:

To date sixtytwo (62) meal coupon restaurants, 1,428 hotels, 1,228 tea houses and 3,720 light restaurants have been licensed to operate in Fukuoka Prefecture. Ken wide raids by enforcement agencies resulted in the uncovering of 367 violations. 247 persons were sent to the public procurators office. Licensing is practically completed and most restaurants are now operating in compliance with the Restaurant Business Control Law.

19. CONTROL OF BLACKMARKET; ECONOMIC CONTROL:

The Fukuoka Municipal Police Bureau uncovered a major case of textile violation which resulted in the confiscation of eighty-eight (88) boxes of cotton shirts valued at ¥8,920,000 (official price).

BASIC: Annex D, Economics Summary Report, Fukuoka Civil Affairs Team, Month Ending 31 August 1949

This case involved a firm in Osaka which is apparently the fountain head for distribution of textiles throughout Japan. The Fukuoka Police dispatched two (2) police detectives to Osaka, and this team contacted the Osaka Civil Affairs Team which promised cooperation on the case.

The police agencies of the Ken uncovered seventeen (17) cases of economic violations of over ¥500,000 in addition to the above. Total yen value was ¥6,886,387. Total yen value of all economic violations apprehended in August was ¥22,349,548.

Blackmarket prices showed a slight decline in August in most commodities.

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H-E-A-D-Q-U-A-R-T-E-R-S
Fukushima Civil Affairs Team
APO 547

RCS
MG-14

ANNEX D

to

Monthly Civil Affairs Activities Report for month of August 1949

ECONOMICS ACTIVITIES

Prepared by William J. Maddox Jr., 1st Lt., Cavalry

1. Agriculture

a. Crop Conditions: Rice prospects are very favorable throughout the prefecture in spite of imochi byo damage in some areas. In central valley and mountain areas 80-95% of plants have shown ears already. On the Pacific Coast only 25% have progressed that far. Ears generally show promise of being long and full. As was predicted earlier in the season, excellent clover crop has kept rice softened up and susceptible to imochi because farmers did not scale down nitrogenous fertilizer ratio accordingly. Prefecture estimates 9,700 cho has been damaged 28% by disease. It states that 5,800 cho has been hurt 5% by drought while 1,000 cho were effected 20% by floods. Improved weather can decrease this damage before harvest. Sweet potato crop also has been damaged by dry weather with loss of 10% at present stage according to Agricultural Affairs Section. Development of tubers in many areas has not begun yet but anticipated September rains will correct this. Growth of soy beans has improved but crop is not normal.

b. Fertilizer: Prefectural receipts of fall fertilizer stand at 88%. Distribution to dealers is fast catching up but was only 37% by month's end while farmers have received 24%. Some farmers are complaining that ratio of nitrogen is high and that allocation of other types of fertilizer should be increased.

c. Agricultural Reform: Although most localities held no competition in some classes at farmland committee elections, and 83% turnout was recorded by voters where elections were held. Over 45% of villages had competition in first class (tenant), 40% in second class (landlord) and 54% in third class (owner-farmer) but for 400,000 voters there was no election. Five (5) villages must reschedule elections

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because of shortage of candidates. Two thousand (2,000) of 4,840 vacancies were filled without election. Farmland department feels that 35% of commissions are influenced by outside political and economic groups. Largest of these is Japan Farmers Union which sways about 23% of prefecture's land commissions. However its strength is waning since the bulk of the land reform program is completed. In 1946-7 an estimated 60% of farmers, chiefly tenants, were members of JFU but today only 10% still belong. Other tenant and cultivator groups exert remainder of pressure on commissions.

d. Reclamation: Norinsho instructions discontinuing subsidies to reclaimer federations are felt to be a progressive step by all parties concerned except officials of federations. By granting subsidies directly to reclaimers more reclamation will be accomplished.

e. Agricultural Cooperatives: Over ¥712 million has been loaned to farmers in Agricultural Bills for 1949 crops. This is a seven-fold increase over 1948 and represents 10% of total 1948 agricultural income for the prefecture. In the Aizu district, a mountainous one-crop area and major rice producer, slightly over 20% of farm income has been borrowed. Liquidation of six (6) Nogyokai was completed in August leaving only 19 unfinished. Prefectural Cooperative Section again is attempting to settle finances of those associations not before law courts. Formation of Production Cooperative Federation was approved with 61 members participating. Remaining cooperatives are watching for results but an expected 200 members will be reached by next March.

f. Extension: Little competition exists in home demonstration and farm guidance programs. Only three (3) guidance cooperatives remain in prefecture and extension system still has not set up active home demonstration project. One (1) woman was picked to head project last spring but has had difficulty in finding women qualified to fill area extension posts. Those who have passed tests are in cities and do not want to change residence to extension areas. However, six (6) agents will be commissioned in September.

2. Crop Collection

a. Quota for summer grains was reached 23 days

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ahead of 1948 and stands at 141.4%. Food Section expects to collect about 3% more. Ryonuma county completed collection with 2332.6% chiefly because of overplanting and mild winter. An informal 10-day collection holiday because of lack of storage space held up delivery of white potatoes which is now 99.8%. Expectations are that only 90% of goal will be reached and that substitution from excess wheat and barley will be made to complete collection. All food potatoes now have been turned in and remainder will be seed potatoes.

b. Any change limiting early turn-in for fall crops will have serious effect upon the one-crop areas of this prefecture. 40% of rice is grown in single-crop regions and last year 520,000 koku was collected early. Prefecture will have to set up quota based upon early collection record for past two (2) years in order to limit equitably the 370,000 koku ceiling on bonus payments.

3. Food Distribution

a. White potato refusals have reached 30% of ration for season but no further refusals are anticipated. This is 1.5 million kan, equivalent to a rice ration of three (3) days. General monthly ration is five (5) days but some localities distributed potatoes for three (3) months in order to make warehouse room for further collections. Meanwhile, prefecture continues to get smaller rice ration per month than other Tohoku prefectures. Fifteen (15) days were scheduled in August and 19 in September while other areas will get 23-24 days of rice. Ministry also plans 22 days of sweet potatoes for four (4) months this fall which is as high as the rate of Kansai cities. Fukushima, besides being fifth largest sweet potato producer in Japan, may have to accept import of 2.4 million kan of sweet potatoes from Ibaraki prefecture if Norinsho has its way.

b. Additional 41,000 farmers were found in August to be drawing general rations.

c. Warm weather and poor quality of miso have caused only 190,000 kan to be purchased out of prefectural monthly ration of 250,000 kan. Food Section feels that as long as refusals are high ration should be increased from 240 to 300 kanme per month. It also suggested another increase in shoyu ration to four (4) go.

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d. Reporting of distribution plans and losses of imported foods generally is punctual by Prefectural Food Section but continuous pressure has to be exerted on Food Office and Kodan to make prompt reports to this headquarters and to prefecture. Recent case was uncovered where a Sato Shoten K.K., canned goods agent for Can Bureau of Food Distribution Kodan, failed to report food losses from school lunch program since April 1948. Same company previously had been warned for delivering delinquent reports on other types of canned goods. Plans are in progress to cancel kodan's contract with company. With canned goods, losses generally are not discovered until breakdown is made to smaller agencies because they arrive crated. About twice as much loss is discovered at this time than upon arrival. Very little is lost through accidents. Grains and sugar losses, however, are discovered earlier. Improper warehousing and robberies result in scattered losses which generally are made up with the 1% allowance. Institution of contract suspension for organizations sustaining negligent losses should cut losses further.

e. Issuance of restaurant licences rose to 2,673 in August with 714 cases still pending. Informational meetings still are being held by local EIB and police. No licences have been revoked as yet. Sendai EIB made inspection of enforcement during August and stated that the Fukushima system is the best in under its jurisdiction.

f. Average vegetable distribution per consumer was 70 momme per day in August.

4. Fisheries

a. Fish catch rose slightly over July but was disappointingly low. Only 40% of quota was shipped to other prefectures. Arrivals were good because northern prefectures made better catches. Fishermen are in debt not only for money but for 726 kiloliters of oil which they have been advanced in order to keep operating. Meanwhile, Ministry allocations are proportionately lower. Operators will not be able to reimburse for overdrawn oil until fall when samma (macheral) catches begin. Local Materials Adjustment Office has asked for change in link basis of oil distribution which would grant

boats a base allocation for each trip with bonuses of oil linked with size of landings. This would not increase substantially consumption of fuel but would insure continuous operation.

b. Applications for Fisheries Bills have been received from 123 persons (151 boats) for ¥26.9 million. Prefecture estimates all will be approved. Local fishing groups have joined national movement in petitioning for continuation of cotton gear subsidies on basis that fish prices will have to be raised if actual cost of cotton (2/3 higher) is charged buyers.

c. Average fish ration per person in the five (5) cities of prefecture was 324 momme in August, according to Fisheries Section.

d. Twelve (12) cooperatives (6 area, 2 type and 4 processing) have been approved and are operating. An additional twelve (12) groups have finished organization meetings. Another 25 groups plan to organize. Fishermen in larger ports are joining both area and type cooperatives. Meetings at Nakamura and Yotsukura were attended by members of this headquarters during August.

5. Mining

Coal production rose to 103% with 185,773 tons for August but an estimated 196,000 tons of Joban coal are stockpiled at mines and in kodan yards throughout Japan. Buyers at present are waiting until controls are lifted in mid-September. At that time they may be able to get lower prices and they will not have to pay the higher pool transportation price. Meanwhile rationalization of mine operations is continuing. Production per laborer reached 7.3 tons in June from 5.8 tons per month a year earlier. Average caloric content has risen to 5,001 in June while April 1948 value was 4,833 calories. However, of 77 mines in Fukushima Prefecture, the entire output of 54 is under 4,900 calories. Seven (7) mines produce about 55% of prefectural total, all of which is over 5,000 units.

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6. Incentive Goods

a. Only fifth allocation imported pants and shirts have not been received and distributed for 1948 summer crops while distribution has been completed generally for fall crop goods through second allocation. Jikatabi are only third allocation item received as far. Of 1949 incentives a few types of rubber goods have reached farmers. Small growers are complaining that points are set too high for them to get appreciable amounts of goods. General feeling is that sake and tobacco, except American, should be dropped as incentive goods as these items are free sale at same prices. Also many farmers have expressed wish that textiles should be issued undyed so that they can be dyed by user suitable to the sex and use.

b. Special second-half incentive allocation for coal mines has not arrived. Majority of first-quarter 1949 goods has been distributed.

7. Forestry

a. Government debts to charcoal producers still stand at ¥120 million. On belief that central government will pay its debts in the next two (2) months, prefectural government has arranged loans of ¥50 million from two (2) banks to charcoal producers. Prefecture will pay interest. Meanwhile charcoal production has dropped to 60% of goal but should pick up when kodan steps out of picture. Forestry Department aided producers in settling contracts with Tokyo which should be a model for other receiving prefectures. High quality products will sell for old ceiling prices but lower types will go for ¥20 a bag cheaper. Officials have voiced fear that higher prices paid by other prefectures will cause shortage here during winter. It has been pointed out, however, that kodan stocks still remain in this prefecture that can be used for local consumption and that producers still have many large piles which are unacceptable by big city users.

b. Continuing money shortage is affecting seriously lumber mills and wood products manufacturers. Mills are forming an association to ask for governmental aid but their chief problems are overcrowding in the field and inefficiency of operations. Pulp industry is only group that is active at this time. It has requested additional timber allocations and will

get 21,000 koku from general timber cutting plan and 28,000 koku from rail tie quota because JNR has slashed requirements.

c. Preliminary survey to determine advance of pine bark bettle infestation has disclosed a gain of two (2) to three (3) times the area affected in June. Increase is chiefly in central valley and an intensified drive has been launched to curb the progress.

8. Transportation

a. Over 26 metric tons of rice and other grains were netted in seven (7) trainchecks during August. Nearly five (5) tons a night was averaged on Tohoku line demonstrating that large amounts of controlled foods still move outside channels. Fifty-nine (59) persons were sent to procurators' offices out of 251 apprehended. Also, 2,800 cases of abandoned goods were listed.

b. Because monthly goal has continued to decline, rail tonnage slightly exceeded plan for first time since adequate transportation has been available. Timber and lumber shipment continued low because of poor market.

c. Prefectural Private Car Owners Association has been accused of controlling purchases of gasoline by handling tickets for consumers. This practice would force most filling stations out of business. Road Transportation Office Branch is investigating.

9. Electric Power

Broad plans for development of Tadami River as a source of electric power have been completed and are pending decision on requests for financial aid from Counterpart Fund. For Numazawanuma Dam, which has highest priority, ¥940 million will be needed with ¥340 million required this year. Nippatsu expects approval of this loan but grants of ¥100 million each for Tagokura and Okutadami Dams this year probably will be rejected after which private loans will be sought. Four hundred eighty thousand (480,000) man days will be necessary to complete the three-year Numazawanuma project. Okutadami will require ¥10 billion and 9.5 million man days in seven

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(7) years while Tagokura requirements are ¥5.26 billion and 9.8 million man days in six (6) years.

10. Stimulation of Critical Industries

a. Local banks have more money to make loans than a year ago principally because they are making less loans. They have notified borrowers that only loans for operating expenses will be approved but none for equipment and expansion. Generally this favors the commercial houses because industries need longer term loans. To aid smaller businesses, Prefectural Assembly is planning a measure by which the government would guarantee banks against losses from organizations which it recommended. No suitable security or reimbursement features for the prefecture have been advanced. Meantime, summer crop receipts reversed the exit trend of savings in agricultural cooperatives for the first time since last winter. Other savings agencies, particularly post offices, aided in the ¥201 million gain.

b. Aid to Maruni Lacquerware Co. in gaining extension of favorable exchange rate deadline was requested through channels. American concern ordered changes in design just prior to shipping date which forced Maruni to hold goods too long. The narrow margin of profit on old contracts would be wiped out if no extension is made.

c. Machinery orders have fallen off in all types. Spinning and weaving machines orders have been very slow since export contracts were filled in spring and mining machine manufacturers are short of materials. Mines and other purchasers of large machines buy on credit which ties up makers. Total fertilizer production fell about 27%, a seasonal decline because of electricity shortage. Most textile industries were quiet, especially silk makers who have not had export orders since April. Staple fiber demand still is good because of the durability of the fabric. Silk is not desired because it is not suitable for workclothes.

d. Eight (8) organizations have formed or reorganized under the Medium and Small Business Enterprise Coop. Law. Other groups are planning gradual changes during the eight month period of grace.

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11. Reparations

Fourteen (14) items of authorized-use machinery have been returned to dead storage as they were no longer needed to support permitted operations. Spotchecks of authorized-use and dead storage machinery revealed maintenance is being carried on at a satisfactory level. Dead storage items which have been lubricated and coated with preservative more than two (2) months show no signs of deterioration.

Report Control Symbol MG-11(R-2)

HEADQUARTERS
GIFU CIVIL AFFAIRS TEAM
APO 25, Unit 2 (Gifu, Honshu)

ECONOMICS SUMMARY

ANNEX D, ECONOMICS, to Civil Affairs Activities Report, period ending 31 August 1949

Authors: Major Temple S. Ryland, Economics Officer
Captain Granville E. Johnson, Natural Resources Officer
Mr. Reginald Rosevear, III, CAF-7, Manufacturing and Industry Officer
2nd Lt. George W. Morgan, Commerce and Trade Officer

1. AGRICULTURE

a. General

(1) The production of horse-radish in Hida District of Ono-gun and Yoshiki-gun has been recently revived as an important side-business of farmers in the mountainous areas. About 24,000 tsubo of land is being developed. Providing that 3 kan of horse-radish will be raised per tsubo, the harvest should yield about 72,000 kan, and if this is sold at 500 yen per kan, the total income will be 36,000,000 yen per year from this crop.

(2) According to a land survey made on 1072 burakus in this prefecture by Agency of Crop Reporting Office, the results showed some farmers had made false reports on the amount of arable land for wheat and barley production. The farmers' reason for making false reports, according to the Prefectural Agricultural Production Section, is because they believe their wheat and barley quota would be too high and they would be unable to meet their required quotas. The Agricultural Production Section reported 29,000 chobu for wheat and barley and Crop Reporting Agency reported 35,000 chobu. The Agricultural Ministry accepted the 35,000 chobu as being the more correct figure.

b. Sericulture

Gifu prefecture has been famous for sericulture for many years. Sericulture farmers in Gifu prefecture number about 200,000. Acreage amounting to 7,011 chobu produced 720,590 kan of cocoons in 1948. Gifu prefecture ranks sixth place in silk production in Japan. The price of raw silk, which is less than 50,000 yen per 10 kan, has caused the sericultural farmers to take a very pessimistic attitude to continue their mulberry farms and a small number have stated they intend to convert their mulberry groves into vegetable fields.

c. Farm Land Commission

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(1) The Natural Resource Officer of this team inspected land commission election in 11 villages of this prefecture on election day, 18 August 1949. Some villages visited were not conducting elections due to not having sufficient candidates. Inspection report is as follows:

Village or Town Inspected	Amount of Eligible Voters	Number of Candidates	Election
Iwanoda-mura, Yamagata-gun	1014	3	3 tenant candidates
Takatomi-cho, Yamagata-gun	575	13	Yes
Sakurao-mura, Yamagata-gun	759	7	7 owner farmer candidates
Yamagata-mura, Yamagata-gun	1254	10	No
Senbiki-mura, Yamagata-gun	486	10	No
Koganeda-mura, Mogi-gun	1182	13	Yes
Akutami-mura, Inaba-gun	1385	10	No
Iwa-mura, Inaba-gun	822	3	3 landlord candidates
Sohara-cho, Inaba-gun	2025	10	No
Nakaya-mura, Hashima-gun	1349	11	4 tenant candidates 7 owner farmer candidates
Shimohaguri-mura, Hashima-gun	851	16	Yes

Election officials gave as the reason for the lack of sufficient candidates to complete the election, insufficient interest shown on the part of citizens in nominating candidates.

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ANNEX D, ECONOMICS, to Civil Affairs Activities Report for the Month of August 1949

(2) A very thorough and extensive publicity campaign was conducted by the Prefectural Civil Information Section to inform the citizens of the coming election. Report on publicity campaign is as follows:

(a) Ten days in local newspaper.

(b) Broadcast 3 times by Nagoya Radio Station on August 13, 14 and 15.

(c) Broadcasting truck traveled through 62 towns and villages in the prefecture.

(d) Local government chiefs announced over loudspeakers in movie houses the coming election.

(e) 3,700 posters were distributed to villages for posting on bulletins boards.

(f) Advertising posters were placed in interurban trains.

(g) 150,000 small leaflets were distributed to farmers who were eligible to vote.

(h) 140,000 stickers for placement in front of households as a reminder to vote were distributed.

(i) Electric company used a stamp when receipting electric bills to remind people of the coming election.

(j) Prefectural Gazette ran articles on election in the bi-monthly issue.

(k) Sirens and temple bells were used to remind village people of election day.

(l) High school students were instructed to inquire of passersby if they had voted.

(m) Many villages had local meetings to awaken interest in the election.

(3) The Prefecture sponsored a prize contest for slogans to build up interest in farm-land committee election. The winners are as follows:

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ANNEX D, ECONOMICS, to Civil Affairs Activities Report for the Month of August 1949

(a) "The future of the farmer depends on your vote."

(b) "Don't waive your right. Defend your farm-land."

(c) "Your honorable vote makes your village brighter."

(d) "Elect members of farm-land committee as carefully as you pick your wife."

d. Extension Service

(1) In 1948 Gifu Prefectural Agricultural Experimentation Station experimented on producing seeds for seedless water-melon. This year the station succeeded in the cultivation of thirty melons. The melon is comparitively easy to raise; the meat is yellowish in color, and tastes very sweet. The station recently received orders for this seed from North America, Australia and South America. Plans are to have an interchange of seeds between Eastern and Western hemispheres twice a year.

(2) A two day conference for prefectural agricultural technicians was held at Nanasato Experimentation Station, this prefecture, on 27 August. A total of 101 technicians attended from all districts of the prefecture. Lectures were given on youth guidance, combating plant diseases, application and proper uses of fertilizer, and how to improve crops. The Natural Resources Officer of this team was present, and gave a talk on the importance of the agricultural technician in the Economic Recovery Program.

e. Cooperative Associations

The guinea-pig industry in Gifu prefecture has a prospect of becoming one of the most important industries in this prefecture. To date there have been established 19 Guinea-pig Experimental Animal Associations. The associations will take over the marketing problems which heretofor have been controlled by the so-called "middle man" or broker. The broker sold the guinea-pigs at an exhorbitant price realizing an unfair profit. Occupation Forces and Welfare Ministry, two of the largest buyers of guinea-pigs have stated that they can use all the guinea-pigs this prefecture can produce. Excluding other prospective users, the Welfare Ministry can use between 75,000 and 100,000 head per year. This prefecture will ship 5,000 head in September. Ampachi-gun, Kaizu-gun and Hashima-gun are the most suitable areas for guinea-pig production because of climate and certain types of fodder prevalent in these areas. Approximately 70 or 80% of all guinea-pigs raised in Japan are produced in Gifu prefecture.

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f. Farm Land Reform

Accumulative amount of land purchased and not sold in the prefecture amounts to 31,476 cho. A total of 31,200 cho has been sold to date leaving a total of 276 cho on hand.

g. Stock Raising

The Prefectural General Affairs Committee of the Economic Rehabilitation Commission, in response to suggestions made by this headquarters, has exerted pressure on the prefectural government to place more stress on the stock-raising program. All farmers are being urged to maintain at least one or more head of cattle; an application has been submitted to the central government to readjust the tax on cattle; stock-raising technicians are being sought in order to teach farmers better methods of stock-raising and for the purpose of guiding a movement to better the breeds of the cattle; an information program on the virtues to be derived from an increased consumption of meat and dairy products is being carried on in order to stimulate the market for beef and milk; a program encouraging an increase in cattle food production is being conducted; and some efforts are being exerted to establish new and expand old pastures. Prefectural officials and local leaders have complained to this headquarters that the progress of the development of the stock raising industry is being detered because farmers insist on cultivating bottom land adjacent to rivers rather than utilizing this land for pasture. Since expansion of the rivers caused by spring, fall, and occasional summer rains floods this bottom land, crop casualty is excessive, thereby rendering these areas unsuitable for agriculture. Farmers, however, annually cultivate this land, and annually suffer heavy crop losses. Officials feel that such land could be more economically used as pasture since floods would have less effect on grassland than on a cultivated area, and the availability of such land would provide sufficient pasture land to support several thousand additional head of cattle throughout the prefecture. Although, this headquarters feels that this is a step towards stimulating stockraising, it is felt that the suggestions made pertaining to commercialized stockraising have been purposely overlooked either because of the reluctance of the Japanese to support commercialized stockraising, or because they feel that the cost of financing such an undertaking would be excessive compared to the time required to realize a profit.

2. CROP COLLECTIONS

a. Under the revised quota, 100.2 percent of the wheat and barley were collected. White potato collection achieved the 91.6 percent mark during the reporting period.

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b. The effect of the receipt of the revised quota by 100 percent of the farmers was evidenced by increased turn-ins by farmers throughout the prefecture.

c. Substitution of wheat for potatoes which is prevalent throughout the prefecture is still in the process of being investigated. Facts brought to light to date reveal that the prime factors contributing towards this situation are damage caused by "Della" typhoon, and by preplanting and revised white potato quotas having been set too high.

3. FOOD DISTRIBUTION

a. Fish

Kind Rec'd	Amt. Rec'd	Quota	Percentage	Principle Kind
Fresh fish	133,242 kan	129,000 kan	103.3%	Mackerel, Sardine, Shark, Squid
Whale meat	-	-	-	
Processed fish	119,006 kan	-	-	Dried sardine, dried cuttlefish, salted squid, dried herring

b. Consumers' desire

Dried sardine, dried cuttlefish, mackerel, sardine, and squid

c. Number of animals slaughted and amount of meat.

Cattle	185 head	(28,400 kg)
Calf	1 head	(19 kg)
Horse	94 head	(15,516 kg)
Swine	500 head	(75,286 kg)

d. The amount of meat consumed in the prefecture during the reporting period was 0.445 momme per person per day. Although this figure represents the entire population, it is significant to note that the meat consuming population consists of a very small minority of the total population.

4. MINING

a. The Togane Mine located in Hirukawa-mura, Sna-gun, this prefecture's only arsenic producing mine was inspected by this headquarters during the reporting period. Current operations involve the exploitation of two veins of an $FeAsS$: WO_3: SiO_2 ore, the total reserves of which are estimated to be

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200,000 tons. The ore analysis is: As 6.10; W.99; S 2.39; Bi 8.70; SiO_2 77.7; also small percentages of Pb, Zn, Cu, Sb, CaO, Al_2O_3, MgO, MnO, Au, and Ag. By virtue of practically complete facilities including ball mills, gravity separator, and an oil flotation process, concentrates as high as 98 percent As_2O_3 are achieved. By hand separation, the As concentration is increased to 9.50 percent, after which the hand concentrate is crushed and the iron arsenous sulfide heated at 700 degrees C which process yields FeS and As. Because of the high temperature, the arsenic is immediately oxidized to As_2O_3, the final form of the arsenic. The tungsten oxide is found mixed with the iron sulfide after the arsenic is removed. By magnetic separation, the FeS is removed leaving a 60 percent WO_3 residue. Yearly output of the principle product, As_2O_3, averages 150 tons of 98 percent As_2O_3; the by-product of WO_3 averages 8 tons yearly of 60 percent WO_3. Present operations are approximately 50 percent of capacity. The management of the mine has stated that with the injection of new capital, production per year could be increased to 332 tons of 98 percent As_2O_3, and 18 tons of 60 percent WO_3. Low sales of As_2O_3 are responsible for the low level of operations, and the consequent shortage of capital. Labor has recently been dismissed with the result that the output from the mines is sufficient to permit merely 3 days operation per week of the separation plant.

b. The Ebisu Tungsten Mine, Hirukawa-mura, Ena-gun, which suspended operations in September 1948, has sold most of their equipment used in the separation process, and has permitted those items not sold to deteriorate extensively. The tungsten ores available at the mine contain from 1 to 3 percent WO_3 plus a small percentage of bismuth. Production during the war averaged 3500 kilograms monthly of 65 percent WO_3. Domestic demand since termination of the war has been very low because of the stock piles which exist, and because of the limited usage of tungsten at this time. The management of the mine has estimated that the cost of production per ton of 65 percent WO_3 would be approximately 550,000 yen if the mine were to resume operations. However, in order to rehabilitate the mine and separation plant an investiment of about six million yen would be necessary.

c. Investigation by the Takayama Labor Standard Bureau of the diseases recently contracted by miners at the Kamioka lead-zinc mine has revealed that 45 workers have mild cases of lead poisoning. Most cases were contracted by laborers working in furnace rooms and electrolysing shops wherein large percentages of lead powder and arsenic were found in the dust. The mine has made arrangement to improve conditions in workshops, to effect safer methods of operation, and to expand welfare facilities and protective equipment. Persons affected by the disease are being fed foods with a high vitamin B2 content, especially milk; two hot spring rest areas are being maintained for the benefit of infected workers.

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5 FORESTRY

a. Gifu Forestry Office has tried a new method of exterminating pine-eating insects. The results of the test were extremely successful. Prussic acid gas is produced by mixing sulphuric acid and sodium cyanide. This method of exterminating pine eating insects costs 6 yen per koku compared to DDT which costs 60 yen per koku. It will be announced at the nation-wide forestry conference to be held in Nagano prefecture during September this year.

b. Nagoya newspaper, Chubu Nippon Shinbun, caused considerable furor by falsely reporting a forest fire in Ono-gun, Gifu prefecture, amounting to 60,000,000 yen damage. Investigation by a representative of this team revealed that an area of 57 cho of cut over forest land was being burned off in preparation for reforesting. A strong wind caused the fire to get out of control, and approximately 700 farmers were recruited to control the fire. There was no damage except a few signed trees. Expense incurred in putting out the fire was 141,560 yen. Location of the fire was Miya-buraku, Miya-mura, Ono-gun.

c. Pine-bark beetle has increased since last reporting period. Infested trees in Ono-gun, Ena-gun and Masuda-gun numbered 2,007 during the month of August. Investigation revealed that carelessness in transfering infested logs and firewood to other areas was responsible. The prefecture Forestry Office warned District Forestry Chiefs to exert closer supervision over infested trees in their areas.

6. TRANSPORTATION

a. A new bus service, the Gifu City Bus Line went into operation on 6 August. This new bus line which was financed partially by the central government, and partially by the Gifu city municipal government, will utilize eight buses, each of which will carry about 60 passangers per one-way trip. Since 6 August, the line has been carrying an average of 4500 passangers per day; at this rate, the company can realize a daily profit of about 5000 yen. The route traversed by the bus runs parallel to the trolley car line for approximately 1 mile, after which it penetrates parts of the city heretofore not served by any type of public transportation facilities whatsoever; therefore, the new line will have the effect of partially relieving an overburdened trolley service, and will provide a cheap means of transportation to areas not previously accessible by public transportation.

b. A movement sponsored by the mayor of Tajimi-city, Gifu prefecture, and by the Aichi Prefectural Assembly to improve and enlarge the highway connecting Tajimi and Nagoya has been initiated. The Tajimi municipality intends petitioning the governors and assembly members of both prefectures for the purpose of exerting pressure to have the road construction included

in the program for the next fiscal year. It is estimated that a 250 meter tunnel will have to be excavated and 10 bridges built in addition to the roadway. The benefits of such construction would, in Gifu prefecture, accrue mainly to producers of chinaware and other ceramics items since current costs of production are high partially as a result of the money which must be expended to maintain trucks which depreciate rapidly because of the exising adverse road conditions. On the completion of such a project, this cost will be substantially reduced enabling producers to decrease the cost of production of ceramics products.

7. ELECTRIC POWER

a. Stream flow for the month of August has been unfavorable because of insufficient rain. The dry season for this area ended this month, consequently the outlook for next month's generation is much better.

b. Average killowatt generated per day for the current month was 1,000,000 kw. For the previous month it was 1,550,000 kw.

c. A generator (volume 3,300V; 1,750 KVA) at the Shiratani generating station was struck by lightning causing considerable damage. Restoration is expected to be completed on or about the 25th of October.

d. There were 2,834 light and power meters and 1,190 limitors installed during the current month. The total number of light and power meters installed to date is 25,637. The total number of limitors installed is 43,152. The old objective of 2,000 meters to be installed has been attained; a new objective of 1,500 additional ones has been set, and all effort will be put forth to attain this goal at an early date.

e. In implementation of the conservation program, a conference was held by the electric company. The object of the conference was to adopt a permanent policy for preventing the random use of electricity.

f. The pilferage control team made 6,372 inspections this month finding 1,915 violations.

8. CRITICAL MATERIALS

a. Movement of excess inventories this month are as follows:

Inventories moved into warehouses:

Type	Unit	Quantity	Value
Ordinary steel	kg	266,467.8	¥2,541,749.08
Electric wire	"	6,203.2	384,391.94

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Type	Unit	Quantity	Value
Iron wire	Kg	122	1,879.77
Nail	"	8.75	147.00
Steel scrap	"	87,694	107,521.70
Iron scrap	"	3,300	9,306.00
TOTAL			¥ 3,004,995.49

b. Prices were fixed on 13 items in the warehouses this month.

c. Redistribution.

Type	Unit	Quantity	Value
Leather belt	m.	23	¥5,825.15
Printing Paper	lbs.	15	309.60
Gelatin	kg.	224	15,720.00
TOTAL			¥31,854.75

9. CONSTRUCTION

a. Applications filed during the reporting period for houses to be built, enlarged, rebuilt or moved totalled 84.

b. The huge backlogue of applications for construction was decreased during August by virtue of 1,090 authorizations being granted for the construction of houses of over 30 tsubo, and an additional 519 permits granted for the building of homes under 30 tsubo.

c. New violations of construction regulations uncovered this month numbered 37 cases, none of which were sufficiently serious to merit judicial action. Previous month's cases administratively disposed of during the reporting period totalled 43. Cases on which no action has yet been taken number 55.

10. IMPORT-EXPORT

a. In conjunction with the prefectural Commerce and Industry Section's program for the stimulation of this prefecture's industries, the Nippon Shokki Seizo K.K., a factory producing foot operated looms was inspected by officials from the prefectural government, and by a representative of this headquarters. Because of the inadequacy and high cost of electric power in some Asiatic countries, foot operated looms can be utilized to better advantage than power driven looms. The factory manufacturing this type loom has designed it specifically for use in these Asiatic countries, and is concentrating its efforts on the export market rather than on the domestic market.

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Foreign orders totalling 2000 sets are being negotiated; at the time of the inspection, however, validation had been received for only 100 sets to be exported to India. Although continuous orders are expected from the Oriental market, the producer expects difficulty in meeting all orders since his working capital is limited, and because he must wait two months after the machine is manufactured before receiving payment.

b. The decontrol of agar-agar, according to producers, will not enable them to overcome the present problem of the inability to market it on the foreign market since the decontrrol will not affect the present market price of $1.70 per pound. As reported by this headquarters during the previous reporting period, the huge stockpile of agar-agar existing in this prefecture will probably not be sold unless the current floor price is lowered. By the following analysis, it is evident that the floor price of agar-agar is too high:

Date	Rate of Exchange	Floor Price	Yen Received per pound
8/48	160-1	2.35 per lb.	376
9/48	160-1	2.45 per lb.	392
1/49	280-1	2.00 per lb.	560
4/22/49	280-1 (anticipating new exchange rate of 330-1)	1.70 per lb	476 (anticipating 561 yen)
4/23/49	360-1	1.70 per lb.	612

In view of the seriousness of the situation, a meeting was held with officials from the agar-agar association, and with individual producers. Producers stated that, in view of the large stockpiles which have accumulated, plus the inability of the domestic market to absorb the agar-agar, they would be willing to market it to any country at any price even if it meant their suffering a huge loss. When questioned as to at what price the producers could cover costs of production, the response varied from a low of 2,500 yen per kan (305 yen per pound) to a high of 3,000 yen per kan (365 yen per pound). From this, it is evident that producers could cover costs of production if their agar-agar were marketed at a dollar price of between $.85 and $1.00. If producers are unable to sell the stockpiles of agar-agar, they will have no money with which to finance the purchase of a new supply of seaweed, thereby being unable to produce a new supply of agar-agar. For this reason, it is urgent that the prevailing floor price be investigated for the purpose of ascertaining its validity.

c. This prefecture's largest exporter of wood products completed the shipment of an order for 30,000 folding chairs destined for the United States on 5 August. Current operations consist of the production of an additional 20,000 folding chairs which are to be shipped by 15 September. Upon shipment of these 20,000 chairs, all contracts for folding chairs negotiated prior to the establishment of the 360-1 exchange rate will

have been fulfilled, and the company's future sales will have to be at the 360-1 rate. While producing at the rate of 450-1, the selling price was $1.00 per chair, at which price the company was barely able to meet production costs. Since the buyer is reluctant to pay more than the current dollar price of $1.00, the producer has stated that he may have to cease operations for the export trade and produce only for domestic use, in view of the fact that he can not meet costs of production at 360-1 rate.

d. Expansion of wood products produced for the export trade was evidenced by the exportation of 300 xylophones, plus samples of chess men, chess boards, and various types of wooden novelty dishes being sent to the United States. Currently under consideration as export products are wooden toys and other novelties such as carved figures; to date, however, prospective exporters have been unable to culminate contracts with foreign buyers.

11. STIMULATION OF CRITICAL INDUSTRY

a. The development of an entirely new type of silk whereby thicknesses ranging from 150 denier to 1200 denier can be spun has been encouraged by this headquarters since December 1948. Recently, the new process has been perfected, and production of the thread is being commercialized by the company holding the patent rights to the process and machinery. The following characteristics are possessed by this new type of silk:

(1) The fabric is as warm as wool.

(2) The appearance of the fabrics is as good as the appearance of woolen fabrics.

(3) The durability is about 70% of that of wool fabrics. Thru further experimentation the durability is expected to be improved.

(4) This silk fabric will not shrink.

(5) The domestic demand for suits and overcoats made from this silk is expected to be great.

(6) Whereas 6 yards of wool fabric generally cannot be purchased for less than 15,000 yen, 6 yards of grid silk could be made available to the consumer for approximately 5,250 yen - almost 300% lower than the cost of woolen fabrics.

This headquarters feels that the development of the grid silk industry merits special attention since each of the economic factors listed below would be affected and each would be a contribution towards raising the living standards of Japan:

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(1) The Japanese people must be provided with a warm garments for winter use. Since most wool must be imported, the consumption of wool garments by the people would necessitate large imports of raw wool, thereby consuming a large share of the limited amount of foreign exchange available to Japan, and depriving Japan of other critically needed imports. If a fabric comparable to wool were manufactured from a domestically available raw material, such imports would be unnecessary.

(2) Currently, a sizeable volume of fabric manufactured from imported wool and originally destined to be exported is being channelled through blackmarket outlets, thereby depriving Japan of critically needed foreign exchange. Such a situation is caused by the shortage of a suitable winter fabric. If grid silk garments were available, the demand for blackmarket wool fabric would be considerably less.

(3) Since grid silk is produced from indigenous raw materials, the business of the producers of the raw materials (the farmers) would be stimulated.

(4) Since the demand for grid silk fabrics would probably be great, silk mills would be permitted to maintain operations at a high level, thereby rejuvenating a decaying industry and providing employment for many thousands of workers.

A special report on this subject was forwarded to Headquarters Tokai-Hokuriku Civil Affairs Region on 18 August 1949.

b. The textile machinery industry was surveyed by the prefectural Commerce and Industry Section in completion of the prefectural plan for the stimulation of critical industries. A conference, attended by a representative from this headquarters, was held for all producers in this type of industry. Although most producers contended that their capacity was limited to 50 or 60 percent because of a state of overproduction of textile machinery, the prefectural Commerce and Industry Section's survey of the market revealed that textile machinery was actually in demand, and a state of overproduction did not exist. The survey attributed the unsaleability of the product to the prevailing lack of purchasing power on the part of prospective buyers. Textile mill management fear that, in addition to the unfavorable domestic market whereby sales of fabrics are at a low level because of the low purchasing power of the individual, the foreign demand for Japanese textiles may continue at its present low level, or even fall to a lower level; for these reasons, they are reluctant to replace depreciated and obsolete equipment or to expand present capacities. As a result of this feeling of insecurity, mills are not ordering new textile machinery, and textile machinery producers are forced to operate

at a small percentage of their capacity. Prior to the war, a large percentage of this prefecture's textile machinery producers manufactured items for the export trade, catering to the markets of China, India, Siam and other Asiatic areas; during the past year, orders from these quarters have been practically nil. Producers are of the opinion that unless these markets are rejuvenated, future production capacities of the textile machinery factories will not rise above the 70 percent level. Although the 360-1 exchange rate would be favorable, because of unprofitable post war operations resulting in the dissipation of assets, foreign orders would have to be financed in advance by the buyer or by the government since not enough capital could be raised to produce against the order.

c. Prefectural granite producers which number 40 different enterprises employing over 350 employees are producing at a very low rate, and have recently been forced to discharge employees because of the short demand for granite. Previously, foundations of ordinary homes as well as those of larger buildings were constructed of granite. Currently builders are using a wood foundation in place of a granite base. By so doing, the time the building will remain on an even keel will be 50% shorter than if granite foundations were used, since the wood foundations will rot over a period of about 10 years. In order to stimulate the granite producing industry, and to encourage the use of a suitable foundation for new buildings, this headquarters, through the prefectural Commerce and Industry Section is conducting an information program directed at builders encouraging them to utilize more substantial bases for new construction.

d. Producers of ceramics ware for export located in Ena-gun, the locality wherein the prefecture's finest ceramics ware is produced, suspended operations from 13 July to 31 July because of the lack of export orders. Since the beginning of August, operations were resumed at a level of about 30 per cent of that which prevailed during May 1949. Unless the foreign markets for chinaware improve in the near future, some producers will be forced out of business, while those who remain in business will be forced to further curtail operations and effect the discharge of additional employees.

e. Producers of wood products such as school desks and benches, lunch boxes, geta, chopsticks and lacquerware contend that the domestic demand for their products is greater than the amount they can produce under present circumstances. In an effort to uncover a method of aiding manufacturers to increase production, a representative of this headquarters held conferences with producers and with the wood products association. The two factors responsible for the producers' inability to expand production are (1) a labor shortage, and (2) the lack of a means of transportation whereby additional production could be carried out of the producing area. The labor shortage is created by the demand for labor by the Kamioka lead-zinc mine which is located in the same area as the wood products producers.

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Since the mine pays higher wages than the wood producers, and since miners derive other benefits such as cheap housing and incentive goods, labor prefers to work at the mine rather than in the wood products shops. The transportation problem stems from the lack of a railroad in the area. Currently being utilized for the transportation of wood products are a truck company, and occasionally the narrow gauge rail line operated by the Kamioka mine for the transportation of the mine's output to a station on the government railroad approximately 12 miles from the area. This narrow gauge line can only be utilized at times the mine is not busy. Utilization of trucks and the mine's rail service require a greater expenditure for transportation than would be necessary if transported by a government rail line. In addition to this, the area is inaccessible from December to February because of heavy snows. During this time all output of the producers is stockpiled and transported out during the summer months necessitating full use of the existing transportation facilities then. In view of these two situations, producers state that no expansion in either facilities or output is possible.

12. ECONOMIC INVESTIGATION BOARD

a. The E.I.B. continued the investigation of the staple food distribution to laborers, general households, factories, and dormitories. Nine (9) violators were found, but were severely admonished in lieu of being prosecuted. The violations involved 6,218 kg of staple food, value ¥232,950.

b. Investigation of the controlled marine products revealed minor violations at 4 retail stores.

c. In the steel investigations only one violation was found where blackmarketing was involved; one other violation was found in the lack of maintaining proper books.

d. As a result of the investigation of wool and woolen goods, various kinds of thread for weaving and knitting, both for domestic use and for export, of a value of 17,335,436 yen was diverted into legal channels.

e. Personnel status:

2nd grade officials	21
3rd grade officials	18

No personnel of either grade is to be added, discharged, or promoted this month. None are expected to be added or promoted next month.

f. Summary of cases:

(1) Number of cases investigated since 1 January 1949 936

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(2) Number of violators to be prosecuted since 1 January 1949 26

(3) Number of violators prosecuted since 1 January 1949 8

(4) Number of cases prosecuted this month 2

(5) Number of violators to be prosecuted as a result of this month investigation 1

g. Analysis of value of black-market goods.

(1) Value of goods involved in violations since 1 January 1949 ¥63,899,790

(2) Total amount until this month 63,043,240

(3) In August 856,550

13. REPARATIONS:

a. Movement of reparations equipment from Toyo Bearing Mfg. Co., Ltd. (09-20), Gifu prefecture, to Toyo Bearing Mfg. Co., Ltd. (23-19), Mie prefecture, has been temporarily halted because of the company's lack of funds with which to transport the equipment. The custodian of the Gifu plant, however, has stated that he feels the company will be able to adhere to its original plan of moving all equipment by May 1950.

b. Prefectural custodians agree that depreciation of reparations equipment will not be evident for approximately one year unless leaking roofs, sudden changes in temperature, or other unforeseen events speed up the depreciation process. Leaking roofs were detected in three installations during inspections; custodians were asked to move several items of reparations machinery to locations wherein they would not get wet.

14. ECONOMIC RECOVERY PROGRAM

In an effort to stimulate the economic recovery program, the economics section, this headquarters, has inaugurated a plan whereby each of the 14 districts of this prefecture will be individually guided towards the objective of economic recovery. Such guidance as is practical and possible will be extended through the coordinated efforts of all personnel of the economics section. For each individual district, the program is divided into 3 parts. The first part consists of conferences held by the Commerce and Industry Officer, the Natural Resources Officer, and the Food and Blackmarket Officer with Japanese government officials at the district and mura levels, plus conferences with other semi-governmental or non-governmental agencies on topics applicable to economic recovery, and to conditions peculiar to the individual area for which corrective action is deemed possible and which would promote economic recovery. Conferences are conducted simultaneously by each sub-section and require 4 hours time. Based on the findings of the

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original conferences, the second part of the program consists of review and inspection in the district of actual conditions which merit the special attention of the economics section. Each sub-section officer conducts his review of the conditions in the area independently of the other sub-sections. The economics section chief coordinates the field work of each sub-section, and evaluates the findings with the objective in mind of encouraging further research or corrective action by the Japanese on conditions wherein solutions can be effected locally, and for the purpose of recommending further study or investigation by sub-sections for problems or circumstances wherein local action is unadvisable, and on which special reports should be submitted to higher headquarters. The final phase of the program is a meeting attended by all mura heads, all district economics section personnel, representatives of all agricultural, forestry, industry and trade associations, and other interested parties concerned with the economic activities of the district. The principles and suggestions for economic stabilization as set forth in Headquarters First Corps letter, subject: "Economic Stabilization Program," dated 1 April 1949, are enumerated and supplimented by additional suggestions pertaining to the area in question, which measures would, if effected, contribute towards economic recovery. After the points under each section of the letter are set forth, explained, and supplimented, those attending the meeting are permitted to discuss and evaluate the suggestions, and if requested, means of effecting them are suggested by members of the economics section. This headquarters is of the opinion that through such a program, the economic recovery of the nation will be fostered, and the attention necessary to be given to local levels of the Japanese government in implementation of the priority progrems of the economics section will be effectively rendered. To date, the program has been extended to six districts.

HEADQUARTERS
GUMMA CIVIL AFFAIRS TEAM
APO 201 UNIT 3

Reports Control.
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ANNEX D

TO

MONTHLY CIVIL AFFAIRS ACTIVITIES REPORT FOR AUGUST 1949

ECONOMICS

PREPARED BY: CAPT FRED V. CARPENTER

1. Agriculture.

a. Land Reform: The progress of the allied phases of the Land Reform Program in this prefecture were checked by field trips to seventeen towns and villages during the month. Conferences were held with the mayors, chairmen and secretaries of the Landlord commissions, and with farmers. One official from the prefectural farm-land section and one from the district office were present at each town visited. It was found that most all secretaries were trying to complete the registration records as soon as possible. The commissions were also interested in this being accomplished as soon as possible in view of the reduced funds available for the pay of secretaries for the fiscal year 1949. Some difficulty and delay was reported by the secretaries of the local land commissions at Nawa-mura, Sawa-gun and Azuma-mura, Agatsuma-gun, in obtaining the necessary assistance of the local tax offices. This report was checked and it was found to be correct due to a shortage of personnel in the tax offices.

On 2 August 1949, the prefectural police reported the first illegal transaction in farm lands of any sizable amount. It involved a Kamematsu Ouchi, President of the Isesaki Area Farm Reform Encouragement Council; Nobuo Yamato, clerk of the Isesaki Local Land Commission; and Kanji Karasawa, secretary in charge of tenancy affairs, prefectural farm land section. Kamematsu Ouchi was the party who actually illegally purchased and sold about 464 tsubo of land involving 784,900 yen with a profit of 401,900 yen. He has been indicted and is in the Maebashi prison awaiting trial. Yamato and Karasawa who used their official status to assist, have been discharged from their positions.

On 1 August 1949, the prefecture reported there was only 10,000 yen appropriation for publicity work on the election of new land commissions. This amount was considered to be inadequate. The prefectural government, through

cooperation with the local newspapers, was able to draw up a thorough and comprehensive plan to cover the prefecture. Subsequent checks by both this section and the information section indicate very good results were obtained. There were 2509 candidates for 2094 positions. Only 20 communists were elected.

There was no purchases or transfers or transfers of land during July. The total acquired remains the same at 39,559 cho. There was also, no selling of land so the total of land sold remains at 39,236 cho. The difference of 323 cho represents lands which can not be sold, for the most part. The payment to land-lords for land sold is 86.8%. The payment for lands purchased by tenant farmers is 98.2% completed.

Military Lands: There is a total of 3664 cho of this type land. 663 cho were sold in August which is the first such sales since April. The total sold is 1,148 cho. There are about 2100 cho under reclamation. The largest area is the Mt. Asama Area of 2178 cho. This land was turned over to the prefecture by the central government without any survey being made to determine if this or any military land was reclaimable. A survey has now been completed and it appears that due to volcanic ash as top-soil about 1000 cho can not be even used as pasture lands. Prefecture officials spent 3 days checking up in the survey parties and other work being done there.

Pasture Lands: There is no change in the figures for August on herb gathering lands. A total of 177 cho of herb gathering lands have been purchased and 937 cho sold, leaving a balance of 838 cho. A total of 986 cho of livestock pasture lands has been purchased and none sold.

Rental Contracts: Mr. Ishikuri from the rental contract section of the prefecture, reported on 20 August that he had received instructions from the Tokyo Farm Land Affairs Bureau to suspend further work on concluding these contracts until December, when it was expected that the rental rate of farm land would be established. There is also the question to be settled as to whether the landlord or tenant farmer pays for any improvement or reclamation of land. Completion of the rental contracts in this prefecture is over 90% completed.

b. Dissolution of Nogyo-kai and Formation of Independent Cooperatives:
One more Nogyo-kai completed the transfer of assets in August making a total of 195 completed and 2 uncompleted. The number which have completed liquidation increased by 28 to 113. The Ken Nogyo-kai liquidation committee has completed a new plan for disposing of the assets and a meeting is scheduled for 8 September for all concerned in an effort to obtain approval. The number

of agricultural practice associations which have completed liquidation is 3117, an increase of 944 in August. The number remaining is 271. The sericultural practice associations have liquidated 1677, an increase of 434 this month, leaving 544 to be completed.

Four additional stock or investment type ACA's were approved in August which makes a total of 290 now operating. The block or non-stock ACA increased by 16 to 1652. The number of ken federations remained the same at a total of 10. The gun federations increased by one to a total of 21.

Since it is obvious that the individual farmer is passing through a difficult period due to high taxes and cost of living, a special effort has been made to advise the ACA officials that this is an opportunity to prove the value of their organization to the farmer by giving him material assistance and encouragement. This advise is being given through conferences with the officials of local ACA's with a representative from the prefectural and district ACA sections present. The mayor and others also attended these conferences, of which seventeen were conducted in nine of the eleven guns in this prefecture. Talks on this subject were made by a representative of this headquarters at gun-meetings of local ACA chiefs at Annaka-machi, Usui-gun on 11 August and at Ota-shi, Nitta-gun on 12 August with Mr. Sekiguchi, chief of the prefectural ACA section. Practically all ACA chiefs are desirous of finding ways and means to increase their income. In this connection, several want their ACA's to handle a larger percentage of incentive goods. Mr. Kenjo Sato, chief of the Tomioka-machi ACA also believes with others that they could provide more adequate and timely delivery. This would also serve as a means of keeping the farmer in touch with his ACA. It was also reported that some areas have merchants associations organized to promote the sale of incentive goods through merchants only. Several reported a sales resistance to the extra allowance of fall fertilizer because some farmers did not have sufficient funds to pay for it.

The Ken Selling Federation was visited on 4 August with Mr. Sekiguchi, chief of the prefectural ACA section. This federation has 181 employees and operates a branch office in each gun. It has 109 local ACA members with an average stock investment of 20,000 yen. The total stock investment is 5,270,000 yen and a net profit of 2,210,000 yen was made last year. They serve as an agency for the central government the collection of staple foods and expect to receive approximately 15,500,000 yen in commissions this year. They object to the Nippon Express being the agency which picks up the crops from collecting points and trucks it to ware houses. It would seem that the ACA trucks could do this and also act as the agency for the collection instead of this federation and so serve as a means to help augment the local ACA's income, of which they are in dire need. It is claimed that the Road Transportation Law sets up the