

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

INTERROGATION NO. 21  
(Obtain from G-2)

PLACE TOKYO  
DATE 11 Oct. 45 TIME 1400

Division of Origin: Capitol Equipment & Construction

SUBJECT: GOVERNMENT CONTROL OVER PRODUCTION  
OF MACHINERY OTHER THAN MACHINE TOOLS

Personnel interrogated and background of each:

Mr. YAMAGUTCHI-- President of Industrial  
Equipment Control Association

Where interviewed (Office): Office of Toseikai (Control  
Association) for Productive  
Machinery.

Interrogator: 2nd Lt. Alan B. Smith

Interpreter: Lt.(jg) William Gorham

Allied Officers Present: Lt. Charles L. Keenoy

Summary:

The Toseikai for Productive Equipment placed the orders allotted raw materials to its 830 member firms which represented 1,033 plants which produced industrial equipment other than machine tools. It also kept a record of all production by its member firms which was not being purchased either by the Army or Navy.

The Industrial Equipment (Productive Machinery) Control Association includes all machines not included in the Controls of Precision Machinery, Electrical Machinery, Automotive Equipment, and Rolling Stock.

There were 830 member firms with 1,033 plants representing a total investment of 520,000,000 yen. Records were kept on all member firms, listing their corporate affiliations, inventory of the equipment of member firms, and their force of employees broken down by type. Production was listed by type and by company. These records are available from 1941 to the 1st quarter of 1944. Production statistics are in terms of value in yen.

Also there is available a study for the 1st quarter of 1944 as to the total capacity of the member firms and what percentage of that capacity was devoted to producing (a) for civilian purchasers, (b) for the Army, (c) for the Navy. These are only overall figures, declared to be accurate, but do not breakdown according to type of product.

Planning was done at first by the Ministry of Industry and Commerce (and later by the Munitions Ministry) on the basis of demand, available raw materials and reports of productive capacity by the various Control Associations. Planning however never tried to fix production goals at a set figure. Certain types of machines unnecessary to the war effort were declared illegal to produce. Approximate limits to production of broad general types were set by the allocation of raw materials to the various Control Associations who further allocated the quotas for individual orders.

An illustration of how this system works follows: A mining firm needs six new boilers. They apply to the Control Association for mining for the quota allotted to use sufficient raw materials for six boilers from the quota allotted to the Mining Control Association by the Munitions Ministry. The Association investigates and if it is that the firm actually needs the six boilers the Mining Association transfers sufficient raw materials to the Industrial Equipment Association. The Industrial Equipment Control Association then issues permits to purchase enough raw materials to build six boilers to the firm or firms which will manufacture the boilers. The attempt would probably be made to distribute the order evenly among a number of the firms. However, if the original purchaser, the company had previously entered into an agreement with one firm and specified a preference for that firm, the Industrial Control Association would not split up and relocate the order.

Planning and production control was a negative rather than a positive nature. The limits on production of products not prohibited by law seems to have been only the urgency of the demand and the availability of raw material and capacity to produce. Otherwise production of machinery seems to have been generally encouraged rather than curtailed.