

C E R T I F I C A T E

I, Suelo YAMANOUCI, certify that I am officially connected with the Japanese Government in the following capacity: Member of the Liaison Office, Imperial Finance Ministry. I further certify that the monetary engraving plates of the currencies of the following denominations, which were delivered to the International Prosecution Section, SCAP, on 27 September 1946, were manufactured on the dates as indicated and by the order of Shimpei TAKEUCHI, Director of the Financial Division, Ministry of Finance.

<u>Denomination</u>	<u>Date</u>
10 Dollars	29 March 1941
5 Dollars	29 March 1941
1 Dollar	29 March 1941
50 Cents	29 March 1941
10 Cents	29 March 1941
5 Cents	29 March 1941
1 Cent	29 March 1941

It is further certified that the attached specimens are samples of the notes printed from the above mentioned plates.

/s/ SUEO YAMANOUCI (SEAL)  
Suelo YAMANOUCI

Signed and sworn to before Richard H. Larsh and John A. Curtis, 2nd Lt, MI, Investigators, International Prosecution Section, at the War Ministry Building, Tokyo, Japan, on this 10th day of October 1946.

/s/ RICHARD H. LARSH  
RICHARD H. LARSH

/s/ J. A. CURTIS  
JOHN A. CURTIS  
2nd Lt, MI

I, Richard H. Larsh, hereby certify that the monetary engraving plates mentioned above were delivered to me by the Japanese Finance Ministry on 27 September 1946.

/s/ RICHARD H. LARSH  
Richard H. Larsh.



856

RE POSITIVE ENFORCEMENT OF THE URGENT  
MEASURES VITAL TO THE GENERAL MOBILIZATION

CABINET KAKU KO NO. 141

June 23rd, 1938

FROM: KAZAMI, Akira, Chief Secretary of CabinetYour Excellency, ITAGAKI, Seishiro, War Minister

## Information by Order

About the prosecution of urgent policies vital to the general mobilization, the cabinet conference has passed a decision as per enclosure.

War Ministry Received

S E C R E T

Ichi No. 3090

(Enclosure)

RE POSITIVE ENFORCEMENT OF THE URGENT  
MEASURES VITAL TO THE GENERAL MOBILIZATION

The Chinese Incident has now made a great advance in the tide of war with the fall of Hsuehchow. However, the future of the war is still far and our people should face it with resolve, and with our persevering mind harden.

The cabinet has just opened a meeting on general mobilization, which deliberated on enforcement of the general mobilization by acquiring the reports from all ministries. Judging from the result of that meeting, the plan of the mobilization of commodities for 1938 (13th year of Showa) decided before, has become difficult to realize because of the extremely unfavorable foreign trade balance owing to the decrease in export and other reasons.

If we should patch up affairs and put off from day to day under such a circumstance, we should have a great obstacle to meet the military demand and to attain an expansion of productive power vital to the circumstance. So we fear a grave consequence to occur. Therefore, at this time the government intends, with a great decision, to concentrate various institutions upon execution of war aims, deepen the understanding of officials and civilians as to the tension of the situation to issue a statement in order to urge a great resolve of the people to meet it. At the same time, to exclude firmly all obstacles and enforce the following policies urgent and vital to the existence of our nation.

(1) In order to maintain the stability of exchange rates, to keep supply of munitions, promote exports and support liveli-



hood of the nation (consumers), we will take necessary measures, in particular, to restrain the rise of prices above the present level and at the same time work out a scale of basic prices or official prices and furthermore will take steps to lower the current prices by strengthening both saving in the consumption and also by control of rations.

(2) With respect to general commodities, we will make every effort to economize in consumption. Especially, in regard to imported commodities, by the way of restriction of consumption, as occasion demands, by setting up a rule of restriction or prohibition, we will enforce a compulsory use of substitutes among the nation and strengthen thoroughly to minimize consumption of commodities for not urgent purposes.

(3) To promote exports, under synthetic plan, we will strengthen the general promotion policy of export. Further,

- (a) We will arrange to bring about a unified foreign trade administrative function.
- (b) By such a way as linking exports of finished manufactures and imports of materials thereof, we will try to <sup>ensure</sup> ~~ensure~~ importation of materials destined to ultimate export.
- (c) As to imported materials we will divide them into materials for domestic consumption and materials for export and any materials for export shall be thoroughly prevented from being switched over to the domestic consumption.
- (d) In order to check the tendency of boycott of Japanese goods in foreign countries, special measures will be taken.
- (e) In regard to the granting of subsidies for the specially designated goods and to the reshuffle of civilian trade organizations, a thorough and drastic measure will be taken.

(4) About goods of prime importance, an appropriate organization of import and ration will promptly be set up.

(5) A mobilization of our funds in foreign countries in order to replenish the foreign exchange funds.

(6) We will make efforts to control and rationalize war profits.



(7) Planning a spread and thoroughness of savings.

(8) To make a simple style of national living at the emergency we will run a national movement and at the same time the government also will take necessary measures so that the government officials will set a standard to be followed by the people.

(9) A thorough measure will be executed for increased production of major types of goods, especially for increase of mineral production.

(10) In order to promote an industrial capacity for production of munitions, we will take necessary measures about adoption of shift system and an urgent employment of technicians and other laborers.

(11) Instructing and making use of a national movement and forming a necessary organization about collection of waste materials.

(12) Measures necessary for conversion and its results, measures for relief of unemployment should be executed.

(13) The policies set forth in the foregoing articles shall promptly be executed by every ministry concerned. For this purpose, if necessary, a part of the articles in the law of general mobilization should be put into action.



Doc. 9018

C E R T I F I C A T E

W.D.C. No. \_\_\_\_\_

I.P.S. No. Evid. Doc. 9018 (ATIS 35)

Statement of Source and Authenticity

I, TAKAHASHI Michitoshi hereby certify  
that I am officially connected with the Japanese Government in the following  
capacity: Secretary of the Cabinet

and that as such official I have custody of the document hereto attached  
consisting of 5 pages, dated June 23, 1946, and described as follows:  
Review of policies vital to the General Mobilization

I further certify that the attached record and document is an official document  
of the Japanese Government, and that it is part of the official archives and  
files of the following named ministry or department (specifying also the file  
number or citation, if any, or any other official designation of the regular  
location of the document in the archives or files): Cabinet

Signed at Tokyo on this  
6th day of July, 1946.

(s) M. Takehashi  
Signature of Official

Witness: (s) R. Kuriyama

Secretary of the Cabinet SEAL  
Official Capacity

Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the  
General Headquarters of the Supreme Commander for the Allied Powers, and that  
the above described document was obtained by me from the above signed official  
of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this  
6th day of July, 1946.

(s) Edward P. Monaghan  
NAME

Witness: (s) William C. Prout

Investigator  
Official Capacity  
I.P.S.



23 June 1938

*Seiken Ikeda*  
*Chikubei Nakajima*

From: Akira KAZAMI, Chief Secretary of the Cabinet

To : Seishiro ITAGAKI, War Minister

Notification in compliance with orders. Subject: regarding revision of the plan for regulating the supply and demand of essential materials for Showa 13 (1938) has been decided at the cabinet meeting as follows:

Revision of the plan for regulating the supply and demand of essential materials during Showa 13 (1938). In the plan for regulating the supply and demand of essential materials during Showa 13 (1938) which was decided at the cabinet meeting of 18 January, it was decided that imports shall be ~~300,000,000~~ <sup>240,000,000</sup> yen and the total sum of imported materials shall be ~~300,000,000~~ <sup>240,000,000</sup> yen by decreasing both military and domestic demands (excluding Manchuria and Kwangtung province).

On the contrary, since the beginning of this year, the export results have been continuously very inactive. And in comparison with the plan, the results of the first quarter of the year decreased by about 27%, and moreover as the trade of North and Central China is included, the rate of decrease will be more outstanding and will drop to about 33% when that is excluded. (In comparison with the results of last year, a decrease of 32.8%). If this tendency is left alone, exports most probably will not exceed ~~240,000,000~~ <sup>170,000,000</sup> yen no matter what efforts are made to increase exports. (Excluding Manchuria, Kwangtung province, North and Central China). Supposing that the new products of gold, excess in invisible exports, etc., are realized as prearranged, the import capacity will be about ~~240,000,000~~ <sup>210,000,000</sup> yen, but according to the results up till now, contrary to that anticipated, invisible imports exceeded that of exports. Therefore, it is rather exaggerated to estimate the maximum of import capacity at ~~240,000,000~~ <sup>210,000,000</sup> yen. Consequently, although there is no way but to cut down the amount of demand with all efforts by fundamentally revising the first plan of regulating supply and demand, the demand for war munitions as a result of operations to arm and replenish the mobilized force cannot be fulfilled by the primary demand amount. For, rather, war munitions demand is increasing. Therefore, in order to regulate these two cross-demands, there is no other way ~~than~~ <sup>than</sup> to strictly control the supply and demand in the home land, and at the same time endeavor to check the increasing war munitions demand.



As to home demand, other than the following imports, as a principle, shall not be recognized.

1. Those to be allotted for military demands and raw materials, materials, machine tools, fuel, etc. which are necessary for production and supply of war munitions.

2. Raw materials and materials for exports.

3. The minimum amount of medicine, fertilizer, etc., which are absolutely necessary for the maintenance of the nation's livelihood.

4. The minimum amount of articles which are necessary for barter trade.

Although a plan for decrease of trade has been established, and at the same time, in regards to munitions, methods to actively utilize substitute materials spontaneously, to appropriate stored goods to mitigate the standard of supplied goods, to call in unnecessary office articles, have been considered, still a total of over 2,730,000,000 yen, including over 130,000,000 yen import from North and Central China, of imports of which Home demand over 1,981,000,000, Army and Navy over 749,000,000, is found necessary. However, in order to supply this sum of imports, it will be necessary to send the greater part of the reserved fund. In this way, in the case of an emergency and the situation becomes worse, it is very difficult to procure arms and other necessary articles because of a lack of capital to procure them. So we have to study the decreasement policy for the amount of demand in the home land, and plan on following points, to postpone the use of the special conserved oil and the compulsory conserved oil, to partially postpone the term of executing bartering contracts, to postpone the production of a part of the machines which are necessary for the development of the strength of production, and to call in materials in the home land.

After considering these measures the total sum of domestic demands which is necessary to be imported was decided at about 1,810,000,000 yen. Consequently the total sum of imports is estimated at about 2,550,000,000 yen in which it is expected that the sum of imports from Central and North China will amount to about 130,000,000 yen and most of them will be imported regardless of exchange relations. If so, we shall be able to overcome this year's crisis.

*The total sum of imports will be estimated at over 2,420,000,000 yen, and.*



In order to keep the sum of imports of the domestic demands within the above said amount, it is necessary to carry out a strict control policy regarding the use of articles in the latter half of the year. Moreover, concurrently many social problems and those of compensation resulting from the breach of contracts must be anticipated. Therefore, in order to relieve these problems, disbursement of new expenditures and other necessary measures shall be taken. In consideration of the above mentioned situation, the most important task at present is to realize the following items which have been decided as quickly as possible.

1. The total sum of imports shall be about 2,550,000,000 yen (about 2,420,000,000 yen excluding Central and North China), Revise the table of contrast of supply and demand and replenishment measures of essential materials (materials' mobilization No. A004) which is contained in the attached document regarding the plan of maintenance of supply of essential materials, that was decided at the cabinet meeting on 13 January, according to the attached document (materials' mobilization No. A008). Furthermore, the detailed amendments of the supply and demand plan as a problem of execution shall be managed within the limits of the total amount of imports, but in case of requiring more imports of raw materials than the prearranged plan on account of an increase of exports, the amount of imports will be adjusted and adapted separately through the consultation of the ministries concerned regardless of the above said total amount of imports.

2. In order to carry out the revised supply and demand plan, each government office shall put into practice, as soon as possible, urgent policies regarding national mobilization as well as adopt measures concerning the control of the use of imports in the home land in accordance with the attached sheet No. 1.

3. Take measures concerning disbursement of expenditure and other necessary measures for the various kinds of compensation problems and unemployment relief which occur as a result of the control of the use of the materials.

4. As to the materials imported according to the revised supply and demand plan, the same shall be managed as quickly as possible by the Materials Adjustment Bureau of the Commerce and Industry Ministry (those not under the jurisdiction of this Bureau by the competent government office) upon communicating with the Exchange Board.



The attached document (Materials' Mobilization No. A008) will be sent later from the Cabinet Planning Board.

(Attached Sheet No. 1)

Main controlled and prohibited items required to be carried out in connection with the use of materials in the latter half of this year in order to execute the present supply and demand plan except materials for the military.

1. Suspension of construction works which are not immediately necessary for the war, and even those which are at present under construction.

a. Suspension of new construction and reconstruction of government public and business offices and schools.

b. (Suspension of works of the International Exhibition and the Olympics.) *Excluded,*

c. Suspension of large-scale construction of department stores, hotels and other big buildings for the purpose of commerce and business, and to control new construction of houses.

d. Suspension and postponement of unurgent construction works.

2. Suspension and postponement of rail track work. Suspension and postponement of railway construction and reconstruction except works which need increase of transport capacity for military use and national mobilization.

3. Partial suspension and postponement of construction of ships.

4. Suspension of construction of electric light, electric heat, telephone, gas and water service except those which are necessary for military use and general mobilization.

5. Postponement of the use of the special-conserved oil and the compulsory conserved oil.

6. Enforcement of prohibitive control on articles of domestic demands made from materials which have to be imported.

a. Prohibition of spinning and weaving of cotton except for such special articles as munitions, exports, sails, sewing thread, and articles which are used for industrial and hygienic purposes. Enforcement of export control on cotton thread and cloth to outer Japan, Manchukuo and North and Central China.



b. Strict control on the manufacture of woolen articles for domestic demands and for export of the same to Manchukuo and Kwantung province. Prohibition of manufacturing cloth of yellow hemp used for packing in the home land. Prohibition of manufacturing ordinary paper made of Manila hemp. Prohibition of manufacturing cloth and other domestic articles which are made of linen, ramie or hemp.

c. Prohibition of manufacturing bags, shoes and other articles of domestic demand which are made of cowhide, household appliances, daily necessities which need copper, brass, lead, antimony, etc., and rubber shoes and other ordinary articles of domestic demands which need raw gum. Control of manufacturing ordinary paper.

d. Prohibitive restriction on articles of domestic demand other than those mentioned above and which require imported materials for their manufacture.

7. Execution of thorough readjustment of communication system by the suspension of the service of more than half of all automobiles, abolishment of lines parallel with railways, competing lines and the sightseeing buses.

8. Prohibitive restriction of use of petroleum by fishing boats fishing along the coast. Restriction of service of ships using heavy oil and plowing the rivers and coastal sea. Prohibitive restriction of use of heavy oil and volatile oil to works which are not necessary for either the military or the general mobilization point of view.

9. Strict restriction on use of imported fertilizer.

10. Restriction of the use of electric power.

Offices concerned shall mutually consult as to the execution of the above matters.



W.D.C. No. \_\_\_\_\_ C E R T I F I C A T E

I.P.S. No. Evid. Doc. 9017 (ATIS 32)

Statement of Source and Authenticity

I, TAKAHASHI Michitoshi, hereby certify that I am officially connected with the Japanese Government in the following capacity: Secretary of the Cabinet, and that as such official I have custody of the document hereto attached consisting of 10 pages, dated June 23, 1938, and described as follows: Revision of the Plan For Regulating the Supply and Demand of Staple Materials.

I further certify that the attached record and document is an official document of the Japanese Government, and that it is part of the official archives and files of the following named ministry or department (specifying also the file number or citation, if any, or any other official designation of the regular location of the document in the archives or files): Cabinet.

Signed at Tokyo on this  
6th day of July, 1946.

/s/ M. TAKAHASHI  
Signature of Official

SEAL

Witness: R. MURIYAMA /s/

Secretary of the Cabinet  
Official Capacity

Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this  
6th day of July, 1946

/s/ EDWARD P. MONAGHAN  
NAME

Witness: /s/ William C. Froot

Investigator IPS  
Official Capacity



## MINISTRY OF WAR

859

Fiscal year	General Account	War Expenditure Account	Total	Special Accounts
1931	246,619,575	0	246,619,575	53,396,408
1932	413,230,611	0	413,230,611	55,014,865
1933	463,138,475	0	463,138,475	126,947,025
1934	463,379,989	0	463,379,989	136,669,165
1935	498,681,102	0	498,681,102	126,882,063
1936	514,778,209	0	514,778,209	126,896,535
1937	728,699,498	2,021,019,270	2,749,718,768	347,437,484
1938	567,102,886	3,683,485,000	4,250,587,886	1,485,082,450
1939	1,001,004,763	3,646,320,000	4,647,324,763	1,522,561,400
1940	1,275,833,730	3,618,534,290	4,894,368,020	1,347,514,540
1941	1,702,393,207	7,392,090,000	9,094,483,207	1,676,908,498
Total	7,874,862,045	20,361,448,560	28,236,310,605	7,005,310,433

Note: The Special Accounts mostly displicate the general account and / or the War Expenditure Account and therefore have been eliminated from the total.



## Imperial Sanctioned Amount of Extraordinary War Expenditure Account (Jurisdiction of War Ministry)

1937 fiscal year to  
1941 " "

Classification	Total	Army Extraordinary War Expenditure	Reserve	Extraordinary War Expenditure	Excess over Budget	Name of Minister
1937	2,021,019,270	1,736,019,270	285,000,000			
Transfer from General Account	398,306,493	313,306,493	85,000,000			
Amount expended without Imperial Sanction	313,306,493	313,306,493	0			Kaya (M.F.) Sugiyama (M.W.)
3rd Imperial Sanction (Jan 22, 1938)	85,000,000	0	85,000,000			"
72nd Diet	1,622,712,777	1,422,712,777	200,000,000			
1st. I.S. (Sept. 15, 1937)	1,119,723,336	1,119,723,336				"
2nd. I.S. (Oct. 30, 1937)	362,248,993	302,989,441	60,259,552			"
3rd. I.S. (Jan. 22, 1938)	139,740,448	0	139,740,448			"
1938						
73rd Diet	3,683,485,000	3,257,000,000	426,485,000			
4th I.S. (Apr. 12, 1938)	1,540,000,000	1,540,000,000				"
5th I.S. (July 22, 1938)	810,600,602	810,600,602				Ikeda (M.F.) Itagaki (M.W.)
6th I.S. (Sept. 22, 1938)	848,800,550	848,800,550				"
7th I.S. (Dec. 3, 1938)	384,083,848	57,598,848	326,485,000			"



Classification	Total	Army Extraordi- nary war Expenditure	Reserve	Extraordinary War Expenditure	Excess over Budget	Name of Minister
8th I. S. (Jan. 21, 1939)	100,000,000	0	100,000,000			Ishiwata (M.F.) Itagaki (M.W.)
1939 74th Diet 9th I.S. (Mar. 20, 1939)	3,646,320,000	3,143,000,000	503,320,000			"
10th I.S. (May 1, 1939 )	600,000,000	600,000,000				"
11th I.S. (July 17, 1939)	900,000,000	900,000,000				"
12th I.S. (Nov. 18, 1939)	850,000,000	850,000,000				"
13th I.S. (Jan. 23, 1940)	735,000,000	735,000,000				Aoki (M.F.) Hata (M.W.)
1940 75th Diet 14th I.S. (Mar. 26, 1940)	561,320,000	58,000,000	503,320,000			Sakurauchi (M.F.) Hata (M.W.)
15th I.S. (June 8, 1940)	3,618,534,290	2,973,000,000	645,534,290			"
16th I.S. (Sept. 14, 1940)	900,000,000	900,000,000				"
17th I.S. (Nov. 16, 1940)	900,000,000	900,000,000				"
18th I.S. (Jan. 16, 1941)	900,000,000	900,000,000				Kawada (M.F.) Tojo (P.M.)
1941	750,000,000	273,000,000	477,000,000			"
	168,534,290	0	168,534,290			"
	7,392,090,000	0	477,400,000	6,750,000,000	164,690,000	



Classification	Total	Army Extraordi- nary War Expenditure	Reserve	Extraordinary War Expenditure	Excess over Budget	Name of Minister
76 Diet	3,727,400,000	0	477,400,000	3,250,000,000	0	
19th I.S.						
(Feb. 25, 1941)	500,000,000	0	0	500,000,000		Kawada (M.F.)
20th I.S.						Tojo (P.M.)
(Mar. 22, 1941)	800,000,000	0	0	800,000,000		"
21th I.S.						
(May 31, 1941)	600,000,000	0	0	600,000,000		"
22th I.S.						
(June 5, 1941)	600,000,000	0	0	600,000,000		"
23th I.S.						
(Aug. 2, 1941)	497,000,000	0	0	497,000,000		Ogura (M.F.)
24th I.S.						Tojo (P.M.)
(Sept. 17, 1941)	400,000,000	0	147,000,000	253,000,000		"
25th I.S.						
(Oct. 29, 1941)	330,400,000	0	330,400,000	0	0	Kaya (M.F.)
Excess of a Budget	164,690,000	0	0	0	164,690,000	Tojo (P.M.)
1st I.S.						
(Nov. 1, 1941)	74,690,000				74,690,000	"
2nd I.S.						
(Nov. 5, 1941)	90,000,000				90,000,000	"
77 Diet	1,900,000,000	0	0	1,900,000,000	0	
26th I.S.						
(Nov. 29, 1941)	300,000,000	0	0	300,000,000		"
27th I.S.						
(Dec. 6, 1941)	800,000,000			800,000,000		"
28th I.S.						
(Jan. 10, 1942)	400,000,000			400,000,000		"
29th I.S.						
(Mar. 7, 1942)	400,000,000			400,000,000		"
78 Diet	1,600,000,000			1,600,000,000		
Among 28th I.S.	1,000,000,000			1,000,000,000		"
(Jan. 10, 1942)						
Among 29th I.S.						
(Mar. 7, 1942)	600,000,000			600,000,000		"



Jurisdiction of War Ministry				1931 fiscal year		
Classifi- cation	General Account		Total	Special Account		Total
	Ordinary	Extraordi- nary		Army arsenal	Senju Woolen Factory	
Main budget (No. 59 Diet)	172,775,490	16,108,015	188,383,505	48,075,607	5,320,801	
Supplemen- tal budget						
No. 59 Diet		235,990	235,990			
No. 61 Diet		6,567,203	6,567,203			
No. Diet						
No. Diet						
No. Diet						
Expenditure from Re- serve	181,741	51,251,136	51,432,877	0	0	
1st Reserve	181,741	39,281	221,022	0	0	
2nd Reserve	0	5,702,687	5,702,687	0	0	
Temporary Expenditure Outside Reserve	0	45,509,168	45,509,168	0	0	
Total	172,457,231	74,162,344	246,619,575	48,075,607	5,320,801	



Jurisdiction of War Ministry			1932 fiscal year		
Classifi- cation	General Account		Special Account		
	Ordinary	Extraordi- nary	Total	Army arsenal	Senju Woolen Factory
Main budget (No. 61 Diet)					
Supplemen- tal budget	172,593,077	227,856,866	400,449,943	49,662,214	5,352,651
No. 61 Diet					
No. 62 Diet					
No. 63 Diet					
No. 64 Diet					
No. Diet					
Expenditure from Re- serve	327,244	12,453,424	12,780,668		0
1st Reserve	327,244	206,515	533,759	0	0
2nd Reserve	0	12,246,909	12,246,909		0
Temporary Expenditure Outside Reserve					
Total	172,920,321	240,310,290	413,230,661	49,662,214	5,352,651

Note: As the budget of 1931 fiscal year was carried over to be 1932 budget under Art. 71 of the Constitution, the division of general budget and supplementary budget is not accurate.

The Total Amount thereof is therefore set forth.



Jurisdiction of War Ministry				1933 fiscal year		
Classification	General Account		Total	Special Account		Total
	Ordinary	Extraordinary		Army arsenal	Senju Woolen Factory	
Main budget (No. 64 Diet)	172,119,330	275,763,922	447,883,252	120,383,446	6,563,579	
Supplemental budget						
No. 64 Diet	0	240,217	240,217			
No. Diet						
No. Diet						
No. Diet						
No. Diet						
Expenditure from Reserve	331,157	14,683,849	15,015,006			
1st Reserve	331,157	228,849	560,006			
2nd Reserve	0	14,455,000	14,455,000			
Temporary Expenditure Outside Reserve						
Total	172,450,487	290,687,988	463,138,475	120,383,446	6,563,579	



Jurisdiction of War Ministry				1934 fiscal year		
Classification	General Account			Special Account		
	Ordinary	Extraordinary	Total	Army arsenal	Senju Woolen Factory	Total
Main budget (No.65 Diet)	168,656,052	280,514,094	449,170,146	130,109,966	6,559,199	
Supplemental budget	382,325	4,142,809	4,525,134	0	0	
No.65 Diet	0	555,000	555,000	0	0	
No.66 Diet	0	3,500,000	3,500,000			
No.67 Diet	382,325	87,809	470,134			
No. Diet						
No. Diet						
Expenditure from Reserve	89,756	9,594,953	9,684,709	0	0	
1st Reserve	89,756	158,350	248,106	0	0	
2nd Reserve	0	9,436,603	9,436,603	0	0	
Temporary Expenditure Outside Reserve						
Total	169,128,133	294,251,856	463,379,989	130,109,966	6,559,199	



Jurisdiction of War Ministry				1935 fiscal year		
Classification	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Army arsenal	Senju Woolen Factory	Total
Main budget (No. 67 Diet)	179,803,775	313,155,204	492,958,979	120,789,258	6,092,805	
Supplemen- tal budget				0	0	
No. 67 Diet	0	0				
No. Diet						
No. Diet						
No. Diet						
No. Diet						
Expenditure from Re- serve	495,661	5,226,462	5,722,123	0		
1st Reserve	95,661	122,058	217,719	0		
2nd Reserve	0	4,436,072	4,436,072	0		
Temporary Expenditure Outside Reserve	400,000	668,332	1,068,332	0		
Total	180,299,436	318,381,666	498,681,102	120,789,258	6,092,805	



## Jurisdiction of War Ministry

1936 fiscal year

Classification	General Account			Special Account		
	Ordinary	Extraordinary	Total	Army arsenal	Senju Woolen Factory	Total
Main budget (No. 69 Diet)	191,030,470	320,352,866	511,383,336	120,801,494	6,095,041	
Supplemental budget						
No. 69 Diet						
No. 70 Diet						
No. Diet						
No. Diet						
No. Diet						
Expenditure from Reserve	932,946	2,461,927	3,394,873			
1st Reserve	932,946	96,700	1,029,646			
2nd Reserve	0	2,365,227	2,365,227			
Temporary Expenditure Outside Reserve						
Total	191,963,416	322,814,793	514,778,209	120,801,494	6,095,041	

Note: As the budget of 1935 fiscal year was carried over to be 1936 budget in the same way as 1932 fiscal year, the total amount thereof is set forth



Jurisdiction of War Ministry				1937 fiscal year		
Classifi- cation	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Army arsenal	Senju Woolen Factory	Total
Main budget (No.70 Diet)	217,804,071	510,161,209	727,965,280	170,365,768	7,071,716	
Supplemen- tal budget	0	300,000	300,000	170,000,000	0	
No.70 Diet	0	0	0	0	0	
No.71 Diet	0	300,000	300,000	0	0	
No.72 Diet	0	0	0	170,000,000	0	
No. Diet				0		
No. Diet						
Expenditure from Re- serve	0	434,158	434,158			
1st Reserve	0	34,158	34,158			
2nd Reserve	0	400,000	400,000			
Temporary Expenditure Outside Reserve						
Total	217,804,071	510,895,367	728,699,438	340,365,768	7,071,716	

Note: Amount of 313,306,493 yen transferred to special account of the  
Temporary War Expenses are not included.



Jurisdiction of War Ministry				1938 fiscal year		
Classification	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Army arsenal	Senju Woolen Factory	Total
Main budget (No. 73 Diet)	165,783,439	398,810,750	564,594,189	203,574,185	4,858,896	
Supplemen- tal budget				1,269,942,013	6,807,356	
No. 73 Diet	65,402	2,096,095	2,161,497	1,269,942,013	6,807,356	
No. Diet				0	0	
No. Diet						
No. Diet						
No. Diet						
Expenditure from Re- serve	0	347,200	347,200			
1st Reserve	0	50,000	50,000			
2nd Reserve	0	297,200	297,200			
Temporary Expenditure Outside Reserve						
Total	165,848,841	401,254,045	567,102,886	1,473,416,198	11,666,252	



## Jurisdiction of War Ministry

1939 fiscal year

Classification	General Account			Special Account		
	Ordinary	Extraordinary	Total	Army arsenal	Senju Woolen Factory	Total
Main budget (No. 74 Diet)	183,643,603	312,068,537	495,712,140	232,874,220	4,852,061	
Supplemental budget				1,278,029,922	6,805,197	
No. 74 Diet	31,694,117	472,996,656	504,690,773	1,278,029,922	6,805,197	
No. Diet				0	0	
No. Diet						
No. Diet						
No. Diet						
Expenditure from Reserve	0	601,850	601,850			
1st Reserve	0	199,850	199,850			
2nd Reserve	0	402,000	402,000			
Temporary Expenditure Outside Reserve						
Total	215,337,720	785,667,043	1,001,004,763	1,510,904,142	11,657,258	



Jurisdiction of War Ministry				1940 fiscal year		
Classification	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Army arsenal	Senju Woolen Factory	Total
Main budget (No. 75 Diet)	182,019,661	1,092,761,400	1,274,781,061	1,319,352,335	13,162,205	15,000,000
Supplemental budget				0	0	0
No. 75 Diet	117,982	147,437	265,419			
No.     Diet						
No.     Diet						
No.     Diet						
No.     Diet						
Expenditure from Reserve	0	787,250	787,250			
1st    Reserve	0	125,250	125,250			
2nd    Reserve	0	662,000	662,000			
Temporary Expenditure Outside Reserve						
Total	182,137,643	1,093,696,087	1,275,833,730	1,319,352,335	13,162,205	15,000,000



## Jurisdiction of War Ministry

1941 fiscal year

Classification	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Army arsenal	Senju Woolen Factory	Aircraft Plant
Main budget (No. 76 Diet)	330,516,659	1,057,174,995	1,387,691,604	270,029,598	10,093,824	10,000,000
Supplemen- tal budget				1,378,936,810	7,848,266	0
No. 76 Diet	47,018,957	265,684,346	312,703,303	879,916,370	7,848,266	0
No. 77 Diet				499,020,440	0	
No. Diet						
No. Diet						
No. Diet						
Expenditure from Re- serve	0	1,998,250	1,998,250			0
1st Reserve	0	355,250	355,250			0
2nd Reserve	0	1,643,000	1,643,000			0
Temporary Expenditure Outside Reserve						
Total	377,535,616	1,324,857,591	1,702,393,207	1,648,966,408	17,942,090	10,000,000



Fiscal year	General Account	War Expenditure Account	Total	Special Accounts
1931	232,624,323	0	232,624,323	57,230,380
32	320,556,595	0	320,556,595	61,167,794
33	410,005,418	0	410,005,418	119,017,093
34	491,780,160	0	491,780,160	113,347,832
35	534,594,232	0	534,594,232	122,248,146
36	560,442,763	0	560,442,763	123,145,862
37	788,668,990	519,058,381	1,307,727,371	171,562,768
38	681,867,913	1,165,300,000	1,847,167,913	261,135,836
39	830,772,236	939,550,000	1,770,322,236	302,856,504
40	1,032,377,882	840,000,000	1,872,377,882	406,733,620
41	1,249,018,014	5,103,210,710	6,352,228,724	591,146,638
Total				

Note: The Special Accounts mostly duplicate the General Account and / or the War Expenditure Account and therefore have been eliminated from the total



IMPERIAL SANCTIONED AMOUNT OF EXTRAORDINARY  
WAR EXPENDITURE ACCOUNT

(Jurisdiction of Navy Ministry)

(From 1937 fiscal year to 1941 fiscal year)

	Total	Navy Extra-ordinary war Expenditure	Reserve	Extraordi-nary war Expenditure Budget	Excess over	Name of Minister
1937	519,058,381	454,058,381	65,000,000			
Transfer from General Account	119,100,000	104,100,000	15,000,000			
Amount expended without, Imperial Sanction	104,100,000	104,100,000				Kaya(F.M.) Yonai(N.M.)
3rd Imperial Sanction (Jan. 22, 1938)	15,000,000		15,000,000			"
72nd Diet	399,958,381	349,958,381	50,000,000			"
1st I.S. (Sept. 15, 1937)	299,263,211	299,263,211				"
2nd I.S. (Nov. 17, 1937)	58,195,170	50,695,170	7,500,000			"
3rd I.S. (Jan. 22, 1937)	42,500,000		42,500,000			"
1938						
73rd Diet	1,165,300,000	1,043,000,000	122,300,000			
4th I.S. (Apr. 12, 1938)	434,020,393	434,020,393				Kaya(F.M.) Yonai(N.M.)
6th I.S. (Aug. 8, 1938)	296,937,281	296,937,281				Ikeda(F.M.) Yonai(N.M.)
8th I.S. (NOV. 1938)	229,035,859	229,035,859				"

- cont'd. -



	Total	Navy Extra-ordinary war Expenditure	Reserve	Extraordi-nary war Expenditure Budget	Excess over	Name of Minister
10th I.S. (JAN. 21, 1938)	205,306,467	83,006,467	122,300,000			Ishiwata(F.M.) Yonai(N.M.)
1939						
74th Diet	939,550,000	812,000,000	127,550,000			
12th I.S. (Apr. 12, 1939)	230,226,685	230,226,685				"
14th I.S. (June 28, 1939)	249,303,641	249,303,641				"
16th I.S. (Oct. 28, 1939)	249,750,564	249,750,564				Aoki(F.M.) Yoshida(N.M.)
19th I.S. (Jan. 30, 1939)	210,269,110	82,719,110	127,550,000			Sakurauchi (F.M.) Yonai(N.M.)
1940						
75th Diet	840,000,000	737,000,000	103,000,000			
21st I.S. (Apr. 17, 1940)	208,341,013	208,341,013				Sakurauchi(F.M.) Yonai(N.M.)
23rd I.S. (July 27, 1940)	229,862,218	229,862,218				Kawada(F.M.) Yoshida(N.M.)
25th I.S. (Nov. 13, 1940)	200,000,000	200,000,000				"
27th I.S. (Dec. 21, 1940)	201,796,769	98,796,769	103,000,000			"
1941	5,103,210,710		5,074,410,710		28,800,000	
76th Diet	2,174,410,710		2,174,410,710			Kawada(F.M.) Oikawa(N.M.)
29th I.S. (Feb. 15, 1941)	500,000,000		500,000,000			"
31st I.S. (Apr. 12, 1941)	550,000,000		550,000,000			"
33rd I.S. (June 21, 1941)	550,000,000		550,000,000			"

- cont'd. -



	Total	Navy Extra-ordinary war Expenditure	Reserve	Extraordi-nary war Expenditure	Excess over Budget	Name of Minister
36th I.S. (Aug. 9, 1941)	250,000,000		250,000,000			Ogura(F.M.) Oikawa(N.M.)
38th I.S. (Oct. 4, 1941)	324,410,710		324,410,710			"
Excess over Budget						
41st I.S. (Nov. 5, 1941)	28,800,000				28,800,000	Kaya(F.M.) Shimada(N.M.)
77th Diet	1,100,000,000		1,100,000,000			"
42nd I.S. (Nov. 29, 1941)	750,000,000		750,000,000			"
44th I.S. (Dec. 27, 1941)	350,000,000		350,000,000			"
78th Diet	1,800,000,000		1,800,000,000			"
46th I.S. (Jan. 28, 1942)	800,000,000		800,000,000			"
48th I.S. (Mar. 28, 1942)	1,000,000,000		1,000,000,000			"



## Jurisdiction of Navy Ministry

1931 fiscal year

Classifi- cation	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Navy arsenal	Powder Depot	Fuel Depot
Main budget (No. 60 Diet)	141,209,983	69,131,307	210,341,290	33,033,502	2,353,726	21,516,505
Supplemental budget	0	1,545,806	1,545,806			
No. 61 Diet	0	1,545,806	1,545,806			
No. Diet						
No. Diet						
No. Diet						
No. Diet						
Expenditure from Reserve	72,146	20,665,081	20,737,227			
1st Reserve	72,146	95,500	167,646			
2nd Reserve		802,647	802,647			
Expenditure by Public Bonds		19,766,934	19,766,934		Outside Reserve 326,647	
Total	141,282,129	91,342,194	232,624,323	33,033,502	2,680,373	21,516,505
						<u>57,230,380</u>



## Jurisdiction of Navy Ministry

1932 fiscal year

Classifi- cation	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Navy arsenal	Powder Depot	Fuel Depot
Main budget (No. Diet)	138,275,301	96,445,113	234,720,414	36,093,502	3,553,129	21,521,163
Supplemental budget						
No. 61 Diet						
No. 62 Diet	2,338,169	41,829,801				
No. 63 Diet		20,741,773				
No. Diet						
No. Diet	143,548,152	171,002,221	314,550,373			
Expenditure from Reserve	45,102	5,961,120	6,006,222			
1st Reserve	45,102	30,695	75,797			
2nd Reserve		875,179	875,179			
First Reserve for Manchuria						
Incident Expenses	0	5,055,246	5,055,246			
Total	143,593,254	176,963,341	320,556,595	36,093,502	3,553,129	21,521,163
						61,167,794

Note 1. Main budget was not approved by the Diet but the previous year's budget was carried over under Art. 71 of the Imperial Constitution.

2. The figures for the General Account are accurate in total but the divisions according to main budget and supplemental budget may not be accurate.



## Jurisdiction of Navy Ministry

1933 fiscal year

Classifi- cation	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Navy arsenal	Powder Depot	Fuel Depot
Main budget (No. 64 Diet)	178,822,411	193,783,927	372,606,338	58,730,846	7,725,570	22,560,677
Supplemental budget	0	31,165,000	31,165,000			
No. 65 Diet	0	31,165,000	31,165,000	30,000,000		
No. Diet						
No. Diet						
No. Diet						
No. Diet						
Expenditure from Reserve	697,886	5,536,194	6,234,080			
1st Reserve	697,886	831,600	1,529,486			
2nd Reserve		484,594	484,594			
First Reserve for Manchuria						
Incident Expenses		4,220,000	4,220,000			
Total	179,520,297	230,485,121	410,005,418	88,730,846	7,725,570	22,560,677
						<u>119,017,093</u>



Jurisdiction of Navy Ministry				1934	fiscal year	
Classifi- cation	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Navy arsenal	Powder Depot	Fuel Depot
Main budget (No. 65 Diet)	199,337,475	288,534,188	487,871,663	81,567,617	8,036,293	23,743,922
Supplemental budget	572,339	703,507	1,275,846			
No. 67 Diet	572,339	65,512	637,851			
No. 65 Diet		82,995	82,995			
No. 66 Diet		555,000	555,000			
No.     Diet						
No.     Diet						
Expenditure from Reserve	444,626	2,188,025	2,632,651			
1st Reserve	444,626	928,025	1,372,651			
2nd Reserve		1,260,000	1,260,000			
Total	200,354,440	291,425,720	491,780,160	81,567,617	8,036,293	23,743,922
						<u>113,347,832</u>



Jurisdiction of Navy Ministry 1935 fiscal year						
Classifi- cation	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Navy arsenal	Powder Depot	Fuel Depot
Main budget (No. 67 Diet)	215,917,830	313,765,604	529,683,434	89,560,003	8,246,733	24,441,413
Supplemental budget	0	100,000	100,000			
No. 67 Diet	0	100,000	100,000			
No. Diet						
No. Diet						
No. Diet						
No. Diet						
Expenditure from Reserve	935,487	3,875,311	4,810,798			
1st Reserve	652,487	355,643	1,008,130			
2nd Reserve		3,093,500	3,093,500			
First Reserve for Manchuria						
Incident Expenses		350,000	350,000			
Treasury Surplus	283,000	76,168	359,168			
Total	216,853,317	317,740,915	534,594,232	89,560,003	8,246,733	24,441,413
						122,248,149



Jurisdiction of Navy Ministry				1936	fiscal year	
Classifi- cation	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Navy arsenal	Powder Depot	Fuel Depot
Main budget (No.69 Diet)	215,797,109	200,001,423	415,798,532	89,560,003	8,258,921	25,326,938
Supplemental budget						
No. 69 Diet	20,955,101	115,077,782	136,032,883			
No. Diet						
No. Diet						
No. Diet						
No. Diet						
Expenditure from Reserve	927,960	7,683,388	8,611,348			
1st Reserve	927,960	220,074	1,148,034			
2nd Reserve	0	7,463,314	7,463,314			
Total	237,680,170	322,762,593	560,442,763	89,560,003	8,258,921	25,326,938
						<u>123,145,862</u>



## Jurisdiction of Navy Ministry

1937

fiscal year

Classifi- cation	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Navy arsenal	Powder Depot	Fuel Depot
Main budget (No. 70 Diet)	273,953,380	407,700,236	681,653,616	101,560,125	8,023,779	33,791,261
Supplemental budget		106,404,676	106,404,676			
No. 70 Diet		1,455,948	1,455,948			
No. 71 Diet		104,948,728	104,948,728			
No. 72 Diet					6,014,259	
No. 73 Diet				20,120,000	2,053,344	
No. Diet						
Expenditure from Reserve	287,565	323,133	610,698			
1st Reserve	287,565	162,020	449,585			
2nd Reserve		161,113	161,113			
Total	274,240,945	514,428,045	788,668,990	121,680,125	16,091,382	33,791,261
						171,562,768



## Jurisdiction of Navy Ministry

1938

fiscal year

Classifi- cation	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Navy arsenal	Powder Depot	Fuel Depot
Main budget (No. 73 Diet)	293,382,149	383,976,291	677,358,440	108,436,225	10,267,964	36,469,657
Supplemental budget						
No. 73 Diet	711,141	2,313,770	3,024,911	56,903,675	29,796,524	5,356,567
No. 74 Diet				15,082,500		
No. Diet						
No. Diet						
No. Diet						
Expenditure from Reserve	303,912	1,180,650	1,484,562			
1st Reserve	303,912	311,150	615,062			
2nd Reserve		869,500	869,500			
Total	249,397,202	387,470,711	681,867,913	179,245,124	40,064,488	41,826,224
						<u>261,135,836</u>



## Jurisdiction of Navy Ministry

1939

fiscal year

Classifi- cation	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Navy arsenal	Powder Depot	Fuel Depot
Main budget (No. 74 Diet)	287,215,995	366,726,767	653,942,762	205,353,818	42,209,500	55,293,186
Supplemental budget						
No. 74 Diet	5,510,670	167,299,000	172,809,670			
No. Diet						
No. Diet						
No. Diet						
No. Diet						
Expenditure from Reserve	1,952,397	2,067,409	4,019,806			
1st Reserve	1,952,397	81,409	2,033,806			
2nd Reserve		1,986,000	1,986,000			
Total	294,679,062	536,093,176	830,772,236	205,353,818	42,209,500	55,293,186
						<u>302,856,504</u>



Jurisdiction of Navy Ministry				1940	fiscal year		
Classifi- cation	General Account			Special Account			
	Ordinary	Extraordi- nary	Total	Navy arsenal	Powder Depot	Fuel Depot	
Main budget (No. 75 Diet)	351,298,461	677,646,669	1,028,945,130	274,681,991	58,193,080	73,858,549	
Supplemental budget							
No. 75 Diet	94,440	35,947	130,387				
No. Diet							
No. Diet							
No. Diet							
No. Diet							
Expenditure from Reserve	1,887,249	1,415,116	3,302,365				
1st Reserve	1,887,249	1,164,462	3,051,711				
2nd Reserve		250,654	250,654				
Total	353,280,150	679,097,732	1,032,377,882	274,681,991	58,193,080	73,858,549	
						406,733,620	



## Jurisdiction of Navy Ministry

1941

fiscal year

Classifi- cation	General Account			Special Account		
	Ordinary	Extraordi- nary	Total	Navy arsenal	Powder Depot	Fuel Depot
Main budget (No. 76 Diet)	464,345,187	776,688,927	1,241,034,114	225,997,917	19,152,730	104,031,513
Supplemental budget						
No. 76 Diet	213,682	308,738,000	308,951,682	163,372,519	58,202,031	20,389,928
No. Diet						
No. Diet						
No. Diet						
No. Diet						
Expenditure from Reserve	2,787,379	5,196,521	7,983,900			
1st Reserve	2,787,379	1,675,521	4,462,900			
2nd Reserve		3,521,000	3,521,000			
Total	467,132,566	781,885,448	1,249,018,014	389,370,436	77,354,761	124,421,441
						591,146,638



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C E R T I F I C A T E

W.D.C. No. \_\_\_\_\_

I.P.S. No. 9023A

Statement of Source and Authenticity

I, Uichi Noda \_\_\_\_\_ hereby certify  
that I am officially connected with the Japanese Government in the following  
capacity: Director of the Budget \_\_\_\_\_  
Bureau of the Ministry of Finance \_\_\_\_\_  
and that as such official I have custody of the document hereto attached  
consisting of 31 pages, dated \_\_\_\_\_, 19\_\_\_\_ and described as  
follows: Recapitulation of the unprinted Ministry of War and Ministry of  
the Navy budget, together with certain additional information during the years  
1931 to 1941. \_\_\_\_\_  
I further certify that the attached record and document is an official document  
of the Japanese Government, and that it is part of the official archives and  
files of the following named ministry or department (specifying also the file  
number or citation, if any, or any other official designation of the regular  
location of the document in the archives or files): Budget Bureau \_\_\_\_\_  
Finance Ministry \_\_\_\_\_

Signed at Tokyo on this  
18th day of July, 1946.

(s) Uichi Noda \_\_\_\_\_  
Signature of Official  
\_\_\_\_\_  
Official Capacity

Witness: (s) Takeshi Watanabe

SEAL

Statement of Official Procurement

I, William C. Prout \_\_\_\_\_, hereby certify that I am associated with  
the General Headquarters of the Supreme Commander for the Allied Powers, and  
that the above described document was obtained by me from the above signed  
official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this  
2nd day of July, 1946.

(s) William C. Prout \_\_\_\_\_  
NAME

Witness: (s) Edward P. Monaghan

Investigator \_\_\_\_\_  
Official Capacity  
i.p.s.



OUTLINE FOR THE ECONOMIC CONSTRUCTION  
OF JAPAN, MANCHOUKUO AND CHINA

Decided at Cabinet Meeting  
of 3 October, 1940.

In order to concretely realize the mission of our country, which is to create a new order in East Asia and to ensure a lasting world peace, it is necessary to push forward the process of renovation of our domestic system and that of the expansion and reorganization of our sphere of existence collectively and unitedly. Consequently, the basic economic policy of our country should be based on the nature of the general plan of the following three process;

1. Perfection of the reorganization of the national economy.
2. Organization and strengthening of the sphere of self-existence.
3. Expansion and organization of the East Asia Co-Prosperity Sphere.

After all, it is necessary to organize and strengthen the general political, cultural and economic union of Japan-Manchoukuo, North China and Mongolia-Sinkiang Areas as an organically solid sphere of self-existence based on the national defense and geo-political position of our country, together with the specific islands off the South China Coast as its advance base in order to organize and expand our sphere of existence and at the same time to establish the East Asia Co-Prosperity Sphere embracing Central and South China, Southeastern Asia and the southern areas in order to accelerate and expedite the perfection of a national defense economy. And in regard to the method of applying the economic policy, it is necessary that special consideration and thought be given to it to make it conform to the stages of livelihood of the respective races while adjusting it to the basic policy pertaining to our merger with the nations or areas and races within the sphere of existence.

1. Basic Policy

1950 | 1. The aim of the economic construction of Japan, Manchoukuo and China is to establish a state of self-sufficient economy with Japan, Manchoukuo and China as a unit by about 1950 and at the same time to accelerate the establishment of the East Asia Co-Prosperity Sphere and thereby strengthen and secure their position in world economy.

2. The guiding spirit of the Japan-Manchoukuo-China economy is to establish a national defense economy through the united cooperation of Japan, Manchoukuo and China with Japan as the leader according to the great spirit of universal concordia and to promote the welfare of the people in general through the principle of live and let live.

3. Japan, being the motive power for the economic construction of Japan, Manchoukuo and China, will guide and nurture the economic construction of Manchoukuo and China by making every effort to enhance the spirit of the people, renovate their domestic situation and expand their national power. Especially, Japan will plan for the epochal development of their science and technique and undertake the development of their pioneer industries.

4. While further strengthening her inseparable relationship with our empire, Manchoukuo will plan for the speedy perfection and development of the important basic industries with the establishment of the sphere of self-existence as the chief objective.

5. China will cooperate with Japan and Manchoukuo and will plan for the development of her resources and the restoration of her economy. And North China and the Mongolia-Sinkiang Areas will develop her transportation and important industries with the establishment of the sphere of self-existence as the chief objective, while Central and South



China will contribute to the establishment of the East Asia Co-Prosperity Sphere by focusing their attention on the smooth flow of materials and the development of important resources. However, the specific islands off South China coast, such as Hainan Island, will make every effort toward their own development, in particular, as the advance bases of the sphere of self-existence.

6. Every effort will be made to preserve the national defense power by planning for a systematic joint storage of the national defense resources within the sphere of self-existence.

7. In order to regulate and accelerate the execution of the general economic construction plan of Japan, Manchoukuo and China, the mechanics of the general plan of the Japan-Manchoukuo-China economy will be perfected.

## 2. Sectional Policy.

The basic policy in regard to the industrial distribution, labor, finance, trade and transportation policy of Japan, Manchoukuo and China is determined, in general, as follows:

### 1. Distribution of industries:

a. Placing her emphasis primarily on precision instrument industries, machine industries and armament industries henceforth, our empire will plan for their epochal development, while the other industries, such as heavy industries, chemical industries and mining, will be developed according to the principle of the right industry in the right place within the sphere of self-existence.

Light industries, particularly fiber and miscellaneous industries, will be systematically arranged and gradually transferred to the continent. At the same time, their transfer into the hands of continental capital will also be considered.

In regard to agriculture, reform of the land system and scientific renovation of management will be undertaken, while the control of the rural population, together with the betterment and stabilization of the farmers and the maintenance of the staple food of our country, will be planned.

In regard to the marine industry, plans for its further development will be made so as to continue to maintain our position as the first in the world.

The unification and renovation of the forestry administration will be made for the rational utilization and preservation of the forestry resources.

b. Manchoukuo henceforth will plan for the epochal development of her mining and electrical industries, in particular, and make every effort to develop her heavy and chemical industries according to the principle of the right industry in the right place between herself and China. At the same time, she will supply our empire with a portion of the raw materials for the heavy industries. Furthermore, machine industries and armament industries will be developed to the extent of satisfying the national defense requirements.

Light industries will be developed according to the domestic demands.

In regard to agriculture, in view of her position as the supply base of food and fodder for Japan, Manchoukuo and China and as the source of special agricultural raw materials for the world, the development of her agricultural land and the improvement and rationalization of her agricultural method will be undertaken to increase production of agricultural products extensively.

Furthermore, for the development of the agricultural industries, the migration of our pioneer farmers will be accelerated and they will be made the nucleus.



Even in regard to salt manufacturing, stock raising and forestry, plans for their epochal development in keeping with the above will be made.

c. China henceforth will contribute toward the establishment of the foundation for the economic construction of Japan, Manchoukuo and China by planning for the epochal development of her mining and salt manufacturing industries and carrying out large scaled production of industrial raw materials and, at the same time, will construct some heavy and chemical industries according to the principle of the right industry in the right place to augment the Japanese-Manchoukuoan industries.

In regard to light industries, she will plan for their mutual adjustment according to the degree of development of the industries of our empire and for their development primarily with native capital.

In regard to agriculture, she will make every effort to perfect the basic facilities, in particular, plan for the improvement and rationalization of farm management and make every effort to maintain the staple food of our country as well as increase the production of cotton and special products.

## 2. Labor

In view of the importance of the position of labor and technical productivity of the people within the national defense economy, an epochal reform will be made to the labor and technical systems. At the same time, a Japan-Manchoukuo-China labor plan based on the foundation of racial cooperation will be established and "gesamtpolitisch" control and redistribution will be undertaken.

(Note: Gestamtpolitisch includes not only geopolitical factors, but also cultural, social and economical factors.)

a. Our empire will make every effort to establish a new system of labor and technique, train laborers spiritually and physically, promote scientific education, intensify labor productivity, train technicians and skilled workers and will guide and assist in the economic construction of China and Manchoukuo.

b. Manchoukuo will obtain from our empire the technicians and skilled workers necessary for the development of her industries and at the same time establish a training system for these types of workers within her country also.

Systematic migration of Japanese and Korean pioneers will be planned and in regard to labor, in general, the systematic migration of North China laborers into Manchoukuo will be planned and every effort will be made to establish a policy of replenishment from domestic source and particularly to reorganize and establish labor control in the mining and manufacturing industries.

c. China will obtain from our country the technicians and skilled workers necessary for the development of her industries and the restoration of her economy, and also make every effort to train such types of laborers within her own country.

In regard to laborers, in general, she will devise measures for their stabilization and at the same time make the necessary provisions for the development of Manchurian industries.

## 3. Finance.

For the establishment of the national defense economy, the financial ideology will be so changed as to enable the acquisition of the necessary quantity and quality of materials as a state primarily without placing the financial foundation solely on the certainty of collection.



a. A financial plan conforming to and enabling the execution of the industrial plan for Japan, Manchoukuo and China will be established and a financial system to carry this out will be perfected.

b. In view of the possibility of the necessity of making numerous changes in the industrial facilities, accompanying the progress of technique and the establishment of industrial fields and accompanying the execution of a systematic joint storage of national defense materials, a financial system for this purpose will be perfected.

c. As a rule, the procurement of funds will be made from the savings of the three countries and for this purpose, plans for the increase and utilization of the savings in each country will be made. However, in regard to the funds for the strengthening of the national defense production strength, assistance will be rendered by Japan for the time being. Furthermore, plans for the utilization of foreign capital, so long as it does not run counter to the aims of the establishment of a new order in East Asia, will be made.

d. In regard to foreign exchange, the aim of control will not be directed solely on the economy of overseas payment, but also on acquisition of national defense materials from foreign countries and in regard to the foreign exchange funds, both Japan and Manchoukuo will utilize it jointly. Even in regard to China, it will be so set up to enable her to utilize it together with Japan and Manchoukuo as much as possible. Furthermore, it will be further planned as to make Japan the center of finance and settlement for the East Asia Co-Prosperity Sphere.

e. The necessary agreements for international settlement will be made among Japan, Manchoukuo and China to strengthen the interdependent and correlated characteristics of the three nation economy.

f. In regard to the monetary system of China, it will be remedied according to the shifting of the situation with the preservation of Japan's leadership as the general principle.

#### 4. Commerce.

The past conception of commercial trade will be changed to establish a trade policy based on principle of production economy with the East Asia Co-Prosperity Sphere as a unit centering around Japan and to secure its position in world economy.

a. Priority materials needed mutually among China, Manchoukuo and Japan will be made to flow smoothly, accurately and fastly.

b. In regard to the relations with a third power or group, the trading of materials with Japan, Manchoukuo and China as a unit will be set up according to nations or groups to secure the materials necessary for production in Japan, Manchoukuo and China and plans will be made to regulate their distribution internally.

c. In regard to the relations with the various areas of the East Asia Co-Prosperity Sphere outside of Japan, Manchoukuo and China, a trade agreement aimed at the preferential acquisition of materials needed mutually will be made and they will be further guided to take on a united relationship with Japan, Manchoukuo and China.

#### 5. Traffic.

To accelerate the unification of the economy of Japan, Manchoukuo and China and to comply with the national defense demands, shipping harbors and railways will be perfected and expanded for the epochal development of traffic and communications among the three countries. At the same time, the organic connection of sea and land transportation facilities will be promoted and every effort will be made to affect a unitary control and



and connection of airways and to expand and perfect electrical communication and broadcasting facilities. Furthermore, the epochal expansion of transportation facilities on the continent will be planned for.

a. In order to meet its mission of leadership in regards to traffic among Japan, Manchoukuo and China and to occupy the position of absolute dominance in the maritime circle of East Asia as well as to further develop it universally, Japan will markedly increase her shipping.

b. From the standpoint of her national defense and the promotion of her industrial development plan, Manchoukuo will plan for the speedy expansion of her traffic and communication facilities.

c. For the reconstruction of her economy and the promotion of her industrial development, China will plan for the expansion of her traffic and communication facilities and will make every effort to develop her interior water transportation facilities.

In regard to traffic and communication in North China and the Mongolia-Sinkiang areas, she, from the standpoint of national defense, will tighten her relations with Japan and Manchoukuo and plan for their speedy expansion.

d. In order to maintain the autonomous position of the traffic and communication in East Asia, every effort will be made to bring the interests and rights of the third powers under our influence one after the other.



C E R T I F I C A T E

W.D.C. NO. \_\_\_\_\_

I.P.S. NO. 1611 AStatement of Source and Authenticity

I, TAKAHASHI Michitoshi hereby certify that I am officially connected with the Japanese Government in the following capacity: Secretary of the Cabinet and that as such official I have custody of the document hereto attached consisting of 11 pages, dated 3rd October, 1940, and described as follows: Nichi-man-Shi Keizai kensetsu Yoko. I further certify that the attached record and document is an official document of the Japanese Government, and that it is part of the official archives and files of the following named ministry or department (specifying also the file number or citation, if any, or any other official designation of the regular location of the document in the archives or files): Cabinet

Signed at Tokyo on this9th day of July, 1946./s/ M. Takahashi

Signature of Official

SEAL

Witness: /s/ M. KobayashiSecretary of the Cabinet

Official Capacity

Statement of Official Procurement

W.D.C. NO. 1, William C. Prout, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this9th day of July, 1946./s/ William C. Prout

NAME

Witness: /s/ Edward P. MonaghanInvestigator

Official Capacity

I.P.S.

Signed at Tokyo on this9th day of July, 1946./s/ M. Takahashi

Signature of Official

SEAL



*Jack F. Engel  
Washington D.C.  
no anti gun - 862*

The Japan Advertiser, Tokyo, May 19, 1938

ARMY EXPLAINS WAR BILL

Scope of General National Mobilization Law Takes in Every  
Private Industry; Toys and Raw Silk May be Included

Following is the translation of the text of a pamphlet issued by the War Department, explaining provisions of the National Mobilization bill. The concluding part will appear on this page tomorrow.

Under the existing international circumstances, it is necessary for the Japanese people to have a clear and unified understanding and appreciation of the National General Mobilization Law. We will, therefore, explain first the form and scope of the law and then its contents.

Although some of the items in the law are secret matters and we can not reveal them to the public at large for the time being, we will, at any rate, try our best to show the spirit and substance of the law as a whole so that readers may grasp its reality purely from the viewpoint of national defense.

Japan faces on her north the Soviet Union, which, with an ambition to sovietize the world, has organized an immense army and has completed her national defense all along her boundary lines. On her west she has the Chiang Kai-shek political power with a violent policy of resistance against her. Moreover, she is surrounded by the powerful navies of the United States and Great Britain. As an island Empire she is narrowly limited in her land area and woefully lacking in natural resources. Under such conditions, it is simply inevitable that Japan has to face great difficulties in organizing a plan which makes for the efficiency of her national defense.

Defense Line Shifted

*U G*

The Manchurian incident has brought about a great change in the condition of national defense. The situation has been enhanced by the present incident. Under the new situation, the line of national defense has been shifted several hundred miles further from the national boundary and extended to Central China by way of North Manchuria and North China, a distance of more than a thousand miles. In the face of this, it has become a matter of supreme importance for Japan to expand and strengthen all aspects of her national power to hold this line of defense effectively for the establishment of permanent peace in the Orient in cooperation



with Manchukuo and North and Central China. A success or failure in her attempt to realize this national ideal depends upon the determination of the Japanese people. For many years to come, Japan must make very serious efforts in perfecting and strengthening her national defense for the realization of this ideal and the National General Mobilization Law is intended to accomplish this end.

By the national General Mobilization, Japan aims to control and operate her entire personal and material resources to the fullest possible extent in order to enable her to demonstrate her national power most effectively for her national defense in time of emergency. In other words, she seeks to mobilize her national vitality to the greatest possible extent, in order to enable her to supply her army and navy with the vast amount of war materials they require in time of war to secure the smooth economic operation for the stability of national life, and at the same time to demoralize the enemy on the battlefield as well as on the economic and propaganda fronts. Military success in the future depends chiefly upon superiority to the enemy in the ability to fight by mobilizing systematically and effectively the synthetic national strength as long as war continues.

#### All-Embracing

By synthetic national strength, we mean the national strength consisting of all elements, tangible and intangible, of personal and material resources. The national general mobilization calls for the concentration of these elements most systematically to one constant synthetic national power for an effective demonstration in order to gain the final victory in a war.

C | All elements of national strength may be displayed effectively by the efficient operation of the national system. Since the national system is operated by man, the source of fighting strength is the people and their spiritual power. From this consideration, it is obvious that the mobilization of spiritual power is more important than any other element of national strength. All possible efforts, therefore, must be made by mobilizing educational institutions and propaganda organs for a unified campaign to intensify the fighting spirit of the people, which will enable them to endure any amount of hardship and difficulties.

Another important matter in the scheme of general mobilization is the acquisition of vast quantities of necessary materials to supply the army and the navy. In time of war, all kinds of materials will be consumed in great quantities due to the vast expansion of fighting equipment in keeping with the progress of science. In order to satisfy this demand, the government must collect and prepare them for use speedily in the shortest time possible. A shortage of war materials must be made up by acquiring them from abroad in good time. On the other hand, the government must make efforts to increase the production of such materials at home and have them in store to provide



for any possible contingency. It may be necessary for the government to limit or prohibit the consumption of certain war materials for ordinary purpose or to encourage the people to use substitutes for them.

In order to facilitate such activities, it is necessary to unify all producing enterprises and organs of exports and imports for a systematic production and distribution. For this purpose, the government will have to issue various regulations by Imperial ordinances. It will also take necessary steps to prevent a rise in prices of commodities and may go the length, if necessary, of fixing official prices on such commodities. Japan is blessed with plenty of food-stuffs, but some arrangement will have to be made to prevent a possible decline in production.

With the outbreak of a war, a large number of young men who are working in mines and factories will be called to the colors, and those establishments must be replenished with a greater number of operatives than before to meet the exigency. In time of war, however, all organizations engaged in peace industries may have to curtail their activities or even suspend them altogether because their products may not be wanted in such a time or due to difficulty in securing raw materials to work upon, with the result that a large number of operatives will be put out of work. The object of personnel mobilization is to adjust the demand and supply of labor to cope with the situation. For this purpose, it is necessary for the government to perfect educational and employment institutions for the proper training of young men in certain trades and for the proper distribution of workers. It calls for close cooperation between labor and capital as well as the cooperation of women. The effective relief of wounded soldiers and their families is another important item which comes under the personnel mobilization.

#### Government Finance Control

In order to raise enough funds for the execution of war, it is necessary for the government to establish a war time tax system and a policy of floating public bonds to prevent an undesirable financial inflation. For this purpose the government may control all money circulation organizations to facilitate a proper circulation of money. It will also make efforts, in order to buy necessary raw materials, to increase export trade, to arrange financial credit to manage foreign bonds held by Japanese, to increase the output of gold, etc.

In time of war, a speedy transportation of men, munitions and provisions to the war fronts is essential for gaining a victory. This calls for the unified operation of all transportation facilities on land and sea to the greatest possible extent. At the same time, equipment of all harbors and ports must be perfected and strengthened. It must not be forgotten that in time of war the army and navy will appropriate a greater proportion of vessels for their own purpose. The



government will take similar steps for increasing the efficiency of communication services.

#### Scientific Mobilization

Mobilization of the scientific elements of national strength is another important item in the scheme of general mobilization. In time of war, it is urgent for the government to /~~Notes~~ several words unreadable/ shortage of various war materials by mobilizing the science resources of the country. For this purpose the government will make special arrangements for enabling scientists and scientific institutions to raise their efficiency to the highest possible point.

In order to facilitate the national general mobilization, the government will accurately collect all kinds of information at home and abroad as a part of the mobilization of information propaganda and guard services. It also will launch a propaganda campaign for mobilization of the national spirit and the unification of national opinion for the execution of war. As a part of the propaganda, efforts will be made to create in foreign countries favorable public opinion for Japan. In addition to this, the government will make efforts for the protection of materials and for the maintenance of peace and order to facilitate the national general mobilization. This is particularly important in time of enemy air raids and to thwart spy activities.

#### Flexible Plans Essential

It is imperative for the government to make necessary preparations in time of peace to provide against any possible contingency necessitating the general mobilization. The government, therefore, must be equipped with far-reaching plans to raise efficiency promptly in production of necessary materials, their transportation and other activities to facilitate the general mobilization. The plans and preparations will differ in their scope according to the magnitude of war. The government, therefore, must be equipped with plans and preparations, applicable to varying conditions to carry out a general mobilization.

The Cabinet first will draw a rough draft on the basis of which all departments of the government will make their respective plans and preparations for the general mobilization. Parties engaged in foreign trade and those engaged in enterprises for producing and distributing commodities must conform to the plans prepared by the departments of the government. The conduct of the parties concerned will be controlled by regulations to be promulgated by Imperial ordinances or to be brought into existence by revising existing law. The government will take such steps in good time so that the army and the navy will always be adequately supplied with all essentials to carry on war.



Such regulations, which may require revisions in the future, should be fixed by Imperial ordinances for the sake of convenience instead of being made provisions of the National General Mobilization Law. If they were made provisions of the law, any alteration in them would require a sanction of the Imperial Diet. Such a process for securing a revision is not practical in time of war when everything must be arranged swiftly. Nor is the method of resorting to an urgent Imperial ordinance for the revision practical because the matter would have to be referred to a deliberation of the Privy Council. Moreover, an urgent Imperial ordinance could not be issued if a Diet session were in progress.

But the basic principles on which such regulations may be established should be embodied in the law because they would require alterations according to any change in the circumstances of general mobilization. In the application of the law, the government is to consult with the National General Mobilization Research Commission, thus preventing it from abusing its power of causing the issuance of Imperial ordinances. It is also expected that the government will create various semi-official organs to deliberate ways and means of control under the regulations to insure justice, as has been the case in the control of iron, steel and copper. The government in the actual execution of the regulations in keeping with prevailing industrial conditions of the country will depend largely upon a voluntary control on the part of private enterprises. It will also take into consideration views of such self-governing bodies when it will formulate its plans in order to avoid making a blunder.

#### Summary of Articles

Articles 1, 2, and 3 of the National General Mobilization Law define the meanings of the national general mobilization goods and the general mobilization business. The law is to become operative when the nation is threatened by a possible war (including incidents of the nature of war). The beginning and the end of the period of application of the law will be duly announced after the Imperial sanctions are obtained. The term "personal resource" includes spiritual power, technical power and labor power. As for the general mobilization goods, most of them are mobile (vessels being included in the category of real estate). A reservation is made in the ninth section, Article 2 for a possibility of designating additional goods as subject to mobilization. At present the government has no definite plan in this connection, but it may add toys and raw silk, if necessary, in order to improve the balance of international accounts.

By saying the general mobilization of business, the word "business" is employed in a broad sense, not necessarily restricted to commercial enterprise. Such an item as the activity of the Women's National Defense League may possibly be named in this category under the ninth section of Article 3.

In drafting persons in wartime according to the provisions of Article 4, the government will make efforts to recruit them without



resorting to compulsory measure. In recruiting them, the government will announce by an Imperial ordinance the age limit, sex, categories of work, and amount of remuneration as specified in qualifications for the service.

Term Clarified

The word "bodies" as referred to in Article 5, are organizations in general, excepting National Defense Leagues, the Women's National Defense Leagues, the Young Men's Associations and the Boy Scouts. The activities in which such bodies may be called upon to become engaged, include, for instance, health promotion, relief, propaganda, information and guard services.

By Article 6, the government may limit or prohibit the employment of persons for non-urgent enterprises. It also may draft persons according to the provision of Article 4 and order the owners of particular enterprises, with which the drafted persons would be familiar, to employ them. The government may take necessary steps for the elimination of causes which make for competition in securing operatives, and order employers to adopt various necessary measures for the promotion of workers' health and other matters of social policy. In order to increase the labor power in time of war, article 6 will also empower the government to order owners of enterprises to mitigate or suspend various working conditions prescribed in the Factory and Mining Laws and Labor Regulations.

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THE NIPPON TIMES, LTD.

Tokyo

July 31, 1946

To whom it may concern:

This is to certify that the present Nippon Times (previously known as the Japan Times) absorbed the former Japan Advertiser on October 10, 1940 and all records of the Japan Advertiser prior to that date have been lost or destroyed.

Therefore the original manuscript, from which the article was translated, entitled "Army explains War Bill" appearing in the Japan Advertiser of May 19th and 20th 1938 cannot be located.

The Nippon Times, Ltd.

(signed) K. Togasaki

K. Togasaki  
Executive Editor



CERTIFICATE

31 July 1946

I certify that the original pamphlet or a copy of the same, referred to in an article entitled "Army Explains War Bill" which appeared on page 4 of the May 19th and May 20th, 1938 issues of the Japan Advertiser cannot be found in the files or archives of the First Demobilization Bureau which has custody of the documents of the former Japanese War Ministry.

(signed) O. Arao

O. Arao

Chief of  
General Affairs Division  
First Demobilization Bureau



The Japan Advertiser, Tokyo, Friday, May 20, 1938

ARMY EXPLAINS WAR BILL

Japanese Subjects Residing Abroad May Be Called for Service in  
National Mobilization Enterprises, Pamphlet Reveals

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Following is the second and concluding part of a translation of a pamphlet issued by the War Department explaining the provisions of the National Mobilization Bill.

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There will be no outbreak of labor trouble in wartime, but the National General Mobilization Law is provided with Article 7 against any such possible contingency.

According to this article, the government may require employers and employees to maintain organs for harmonizing labor and capital as a preventive against labor disputes or may impose mediation to settle such a dispute. The article also empowers the government to close any work shop which is operated with a design to foment dissension after a labor dispute has occurred and to limit or prohibit the activity of a third party to instigate a labor dispute. All difficulties between land owners and tenant farmers, however, are to be settled according to the provisions of the Agricultural Land Adjustment Law.

Article 8 includes important provisions for the control of mobilization materials. The concrete regulations for production distribution and consumption of the materials are to be announced by Imperial ordinances or departmental ordinances. A large proportion of matters pertaining to transportation comes under this article, for the important part of the Extraordinary Ship Control Law falls within the scope of this article.

May Regulate Trade.

By Article 9, the government may import important materials for the war industry and encourage export in order to improve the international trade balance. When the government deems it necessary to place a restriction on imports and exports or to increase or reduce tariffs, it may do so under the provisions of this article. In that case, however, the government is likely to refer the matter to the Customs Tariff Investigation Commission for deliberation.

In the event the government should be unable to obtain



general mobilization goods by purchase, it may accomplish its object by the application of Article 10. The difference between the requisition order and Article 10 is that the former enables the army and navy promptly to acquire materials directly necessary for their military operations, while the latter empowers the government to acquire the mobilization goods for military and other purposes.

It is conceivable that by the application of Article 11 the government may order companies engaged in various enterprises to readjust the distribution of profits and to appropriate their reserve funds for extension and improvement of their equipment or employ them for their subscription of government bonds. The government by this article may also order the special money circulation organs to limit the accommodations of loans, or the subscription, underwriting, purchasing, or flotation of debentures. It is quite possible that the government, when control of the money market is necessary in the event a thoroughgoing national general mobilization is adopted, may order them to curtail the amount of dividends or to extend the scope of loan accommodation.

#### Certain Exemption.

Under provisions of the Commercial Code, the flotation of debentures must not exceed the amount of capitalization, but companies engaged in war industries may, by virtue of Article 12, go beyond this limit. An increase of capitalization according to the Commercial Code, is not permitted until fully paid up, but those companies are exempted from the restriction according to the provisions of this article.

In anticipation that the government may use or expropriate the establishments engaged in general mobilization enterprises, employers, according to Article 13, are required to make some arrangements with their operatives so that the government will have no difficulty in reemploying the same operatives when it takes over such establishments for its own purposes. When the National General Mobilization Law is put into effect, the plants now being operated by the army and the navy shall come under the ruling of this law.

In the instance of "water" as referred to in Article 14, it must be interpreted as private water. As for the mining right, the government may, according to this article, use or expropriate a part of it despite the provision of the Mining Law to the contrary. The priority right of former owner or his successor to buy back the mining right and facilities is recognized by Article 15.



In order to expand and perfect the wartime industries, necessary materials, capital and labor must be devoted for this purpose instead of being absorbed by non-essential and non-urgent enterprises.

#### Similar Provisions

Article 16 is included in the mobilization law for this purpose. The Important Industries Control Law, the Iron Industry Law and the Petroleum Business Law contain provisions similar to those of Article 16, and they are likely to continue to function as long as they are competent to satisfy the demand of national general mobilization.

It is better for the government to control wartime enterprises on the basis of independent and voluntary control of such enterprises on the part of the parties interested. From such a consideration, the government may, according to the provisions of Article 17, order the owners of such enterprises to form organizations and controlling agreements of their own categories to deal with the government. The Government may also order those who are outside the organizations to abide by the controlling agreements of the organized owners.

Article 18 is intended to accomplish cooperative purchase, cooperative import and cooperative sale through guilds of persons interested in those enterprises, which can not be accomplished by the controlling agreements as mentioned in the previous article.

Article 19 is designed to prevent an undue rise in prices of commodities in time of war. The article is included in the mobilization law because of the fact that the law controlling profiteering has no power to fix official prices of commodities.

According to the provisions of the existing Newspaper Law, the government may prohibit or limit the publication of military and diplomatic matters, but under Article 20 of the new law, it may take similar steps toward the publication of matter relating to economy and finance as well.

#### To Operate Soon.

Article 21 is intended to keep the government well-informed in time of peace of technical ability of workers in order to enable it to adjust the demand and supply of labor speedily in time of war. This registration of technical ability of workers is very important; together with works of employment offices the government is expected to undertake it in due course of time,



starting first with workers whose technical ability is most important in wartime.

The General Mobilization Law is provided with Article 22 to meet a great demand of labor in time of war by training workers in time of peace. By training institutes, it means such institutes as farmers' training quarters, schools giving short courses and mechanics training quarters. Employers, according to the provision of this article, are required to select from among their employes workers to be trained and send them to training institutes.

By virtue of Article 23, the government may make persons engaged in the manufacture and importation of certain mobilization goods create a reserve supply of the materials which may run short in time of war.

To make the national general mobilization smoothly operative, Article 24 requires leaders of general mobilization enterprises to formulate detailed programs on the basis of the general plan of mobilization made by the government and to rehearse them repeatedly to facilitate the execution of the programs in time of war. Speaking of general mobilization enterprises here, they need not necessarily belong to industrial or business undertakings of profit-making character. They may be mobilization enterprises such as guard and propaganda services in cities, towns and villages as are designated in other articles. "Those who shall be caused to execute general mobilization enterprises," as stated in the same article, means leaders or engineers of such services. They are required to prepare programs pertaining to general mobilization and conduct necessary drills according to those programs.

#### Scientific Mobilization

Article 25 deals with the mobilization of scientists because they are an important element for perfecting national defense. The items on which special experiment and research are to be conducted in this connection are about 40 in number as designated by the Cabinet some time ago, including special kinds of steel, airplane motors, fuel substitutes for petroleum, utilization of sand, iron, nickel, etc.

Article 26 guarantees a fixed profit or grant of subsidy to those engaged in the business of producing or repairing general mobilization materials. There are laws specifying in detail the method of such guarantees, but not a few items of scientific works can be developed advantageously by guaranteeing profit or



granting subsidies without going through the trouble of making laws for the purpose. A speedy method is essential in time of war. In the event a subsidy is granted or a profit is guaranteed according to Article 28, the government may supervise the enterprises concerned and issue orders to them according to the provision of Article 30.

Articles 27 and 28 state regulations pertaining to compensation of losses incidental to the execution of the general mobilization law. But the aim of national general mobilization is of such character that no one should demand individual compensation for a loss which might be sustained by everybody. Take, for instance, losses due to a mobilization drill or losses caused by the control of prices of commodities. The government may grant subsidy instead of compensating the losses. In this connection, other articles which may be brought to operate together with Article 27 are Articles 8, 10, 13, 14, 9, 11 and 16. Those related to Article 28 are Articles 22, 23 and 25.

Article 31 is important because in the operation of the Mobilization Law all kinds of investigations must be conducted. There is a law pertaining to the investigation of natural resources but its scope is so limited that it cannot cover many matters which may be found within the wide range of general mobilization.

#### Severe Punishment.

The punishments for crimes which directly affect the proper execution of national general mobilization particularly for those due to profiteering during wartime, is heaviest. The punishments for crimes indirectly affecting the well-being of general mobilization is next in severity. Other punishments in violation of the Mobilization Law will be fixed according to the character of offenses.

The Mobilization Law is provided with Article 44 to prevent a possible leakage of secrets through persons occupying various positions of leadership who know secrets of government offices.

The National General Mobilization Inquiry Commission as designated in Article 50 will deliberate such matters as contents of Imperial ordinances to be issued and the policy by which the Mobilization Law shall operate. The Commission shall be headed by the Premier with the President of the Cabinet Planning Board as the Vice-Chairman. The members of the Commission will be about 50 in number, who will represent the Upper and the Lower Houses, high officials of various departments of the government



and specialists with great experience. The Commission is purely a deliberative body to insure the administrative justice.

The National General Mobilization Law is intended to meet promptly and effectively all conditions and requirements of modern warfare. The law will not operate until detailed working regulations are issued by Imperial ordinances. Imperial ordinances dealing with matters which require preparation in time of peace will be promulgated in good time. The provisions of some of the articles which will not become operative until the nation is threatened by a war are being carried out for the time being under provisions of the War Industry Mobilization Law.

The National General Mobilization Law may be put into force by the Imperial sanction whenever the government deems it necessary. The government, for instance, may take such steps when it has to order the guild of importers secretly to import materials from abroad in anticipation of a possible shortage of such materials during the course of war.

#### Japanese Subjects Abroad.

Some of the articles in the law such as, for instance, Articles 4 and 5 are applicable to Japanese subjects abroad, providing that the steps to be taken by the Japanese Government would not violate the sovereign right of the country in which Japanese subjects are resident. Some of the articles of the General Mobilization Law overlap with those of various existing laws. Both will continue to operate in time of war but the government will see to it that it will adopt a definite policy in the application of them in order to secure unity in the conduct of the national general mobilization.

The National General Mobilization is an administrative affair and will not be placed under the direction of the Imperial Headquarters. But the two must maintain a close cooperation inasmuch as the aim of the mobilization is to satisfy the military demand. It is for this reason that many members of the Cabinet Planning Board are recruited from the Army and Navy.

#### Revolves Around Cabinet.

The business of general mobilization is related to every aspect of administrative organs with the Cabinet as the pivotal point. Under the Cabinet, the Cabinet Planning Board will formulate all the plans which make for the proper adjustment and unity



of general mobilization. All the departments of the government under the board will function as the central organs in their respective spheres to carry out the working plans of mobilization. This system is not subject to a change even in time of war, but the present administrative organs will have to be expanded and new organs may have to be established whenever necessary. Take, for instance, the Extraordinary Material Adjustment Bureau. It is scheduled to be established soon in the Ministry of Commerce and Industry to function as the central planning organ to strengthen the system of general mobilization in the ministry. A number of semi-official commissions will be organized to insure the perfect operation of general mobilization.

The National General Mobilization can not be carried out by the strength of the law alone. What is important for the accomplishment of the aim of the law is the establishment of a system, by which the personal and material resources of the nation may be controlled, and perfecting preparations for raising the efficiency of national power.



CERTIFICATE

31 July 1946

I certify that the original pamphlet or a copy of the same, referred to in an article entitled "Army Explains War Bill" which appeared on page 4 of the May 19th and May 20th, 1938 issues of the Japan Advertiser cannot be found in the files or archives of the First Demobilization Bureau which has custody of the documents of the former Japanese War Ministry.

(signed) O. Arao

O. Arao

Chief of  
General Affairs Division  
First Demobilization Bureau



THE NIPPON TIMES, LTD.

Tokyo

July 31, 1946

To whom it may concern:

This is to certify that the present Nippon Times (previously known as the Japan Times) absorbed the former Japan Advertiser on October 10, 1940 and all records of the Japan Advertiser prior to that date have been lost or destroyed.

Therefore the original manuscript, from which the article was translated, entitled "Army explains War Bill" appearing in the Japan Advertiser of May 19th and 20th 1938 cannot be located.

The Nippon Times, Ltd.

(signed) K. Togasaki

K. Togasaki  
Executive Editor



864

Excerpts from "The Japan Year Book, 1941-1942"

Page 233: "Revision of the Military Service Law"

Revision in 1939

The Law Amending the Military Service Law was promulgated on March 8, 1939. The items of revision include: amendments to the regulations on the term of military service; conscription of ex-service men; postponement of conscription for students and the manner of this conscription; abrogation of the short-term service system; and recognition of the privilege of postponement of conscription for Japanese students in Manchoukuo Government schools.

Revision of the Term of Service.

Under the new Law the term of the supplementary reserve service for the Army was lengthened from 12 years and four months, while that of the first reserve service for the Navy was prolonged from four years to five years and that of the second reserve service from five years to seven years.

Page 234: Revision of the Military Service Law in 1941.

Another revised Military Service Law which was passed by the Imperial Diet at its 76th Session was enforced on April 1, 1941.

The main points of revision are (1) the enrolment of new conscripts in overseas districts into the garrisons nearest to their residences, (2) the abrogation of the second reserve service system, and (3) the prolongation of the days of call for the education of the supplementary reservists.

(1) According to the provisions of the existing Military Service Law, new conscripts are enrolled, as a rule, into the armies stationed in areas in Japan proper where they are registered as Japanese subjects, or, into the garrisons in such overseas districts as Chosen, Taiwan, Kwantung or China for convenience. There arise cases where the ambitious young men who have gone out to overseas territories to open a future for themselves have to return to Japan proper for their examination and enrollment and are cut short of their ambition. The revision is therefore made in this respect to cause young men to be enrolled in the armies or garrisons stationed in the regions other than Japan proper without regard to their census registration. The new rule shall be applied first to those young men who are to receive the conscription examination in 1942.

(2) The old system divides those eligible for military service into three categories, namely, the active, the 1st reserve and the second reserve. In view of the increased demands made on armed services in wartime, the increase of different kinds of works and the intricacy of organization in the recent defense services, the demarcation between the first and second reserves has become meaningless, the State requiring all reserve soldiers to appear for active service at any time and in the same spirit of loyalty. And the new law provides that all those who have completed their active service shall be enlisted in the reserve list for the whole length of term formerly divided into the two reserve services. This rule governing the reserve servicemen came into force as from April 1, 1941.



(3) With the progress of military drill and education in many fields of military art, the duration of term for educating the supplementary reservists has been lengthened from the present 120 to 180 days, the rule coming into force from April 1, 1941.

Page 241. National Defense Security Law

The National Defense Security Law is one of the most important legislations which was approved by the 76th session (December 1940-March 1941) of the Imperial Diet and enforced on May 10, 1941.

There is already in operation the Military Secret Protection Law designed to guard against the leakage of military secrets and the Defense Resources Secrets Protection Law to safeguard the secrecy of the defense resources of the country. But, no law specifically intended to protect the highest secrets of the State relating to diplomatic, financial and economic matters had yet been enacted.