

*Japan Prepares
for Total War*

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*Japan Prepares
for Total War*

THE SEARCH FOR ECONOMIC
SECURITY, 1919–1941

MICHAEL A. BARNHART

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ITHACA AND LONDON

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TO THE MEMORY OF
YAMANE SHIN

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Preface

Of all the lessons that countries learned from the collapse of Germany in 1918, Japan's may have been the most significant for its long-term effects. War hereafter would be protracted, according to Asian observers of the European conflict, and nations had to be able to supply themselves during wartime with adequate quantities of raw materials and manufactured goods. Reliance on other countries for the materiel of war was a sure path to defeat. Through the efforts of a "total war" cadre of officers, abetted by bureaucrats intent on political change, the empire began to reorganize itself in a search for self-sufficiency.

The coalition of officers for autarky and bureaucrats for reform appeared potent within the Japan of the twenties and thirties, but on the empire's frontiers it came into conflict with other visions of the world. The United States was what Japan aimed to be—rich in resources, internally strong, and dependent on no one. American ideals in trade and governance (and American treaty rights in China) flatly contradicted those of Japan. From that contradiction stemmed a complicated and gradually more belligerent relationship. It would culminate in the attack on Pearl Harbor.

This book is about interwar Japan's search for economic security and the gradual molding of that quest into the attempt to acquire a resource-rich zone in mainland Asia. The need for security became, slowly, an impulse for empire, and it led directly to the Pacific War. But though the causes of the war have provoked the writing of what now amounts to a substantial library, no previous book has exploited archives on both sides of the Pacific to illuminate the Japanese

quest for economic security. It is in the details of that developing quest, and the long debates it provoked in Tokyo and with Washington, that I hope to contribute something new to understandings of the coming of war.

Throughout this book, Japanese proper names are given in Japanese order: family name first followed by given name. For given names, it is not uncommon for Japanese ideograms to carry more than one pronunciation, which in a phonetic language such as English yields more than one possible spelling. In these cases I use the pronunciation as specified by *furigana* in *Nihon Kindai Shiryō Kenkyūkai*, ed., *Nihon Riku-Kaigun no seido, soshiki, jinji* (Tokyo: Tokyo Daigaku Shuppankai, 1971), a directory of army and navy personnel and organization. When most other scholarly works use a different spelling, I provide that alternative in a footnote and give a cross-reference in the index. Whenever possible, Chinese names and places are rendered by the Wade-Giles, not the Pinyin, system.

Unless otherwise specified, translations from the Japanese are mine.

My first and, in many respects, deepest debt is to Richard W. Leopold, who instilled in me a love of the study of history and the desire and background to pursue that study. He was, and remains, the model of what a mentor should be. Ernest May was always a stimulating graduate adviser who did much to broaden my view of international relations. Without his support, I would not have attempted this book. He was ably assisted by Edwin Reischauer, whose comments on my Japanese chapters immeasurably improved them, and Peter Stanley, who did much to make occasionally onerous course and research work bearable. Special mention should also be reserved for Oda Yori and Kuno Susumu, without whom I would probably still be mired in a language lab.

Many other scholars, in America and Japan, contributed to this book. Akira Iriye provided encouragement and advice for years. Dorothy Borg enabled me to converse with other young students of American–East Asian relations, forming friendships that have endured. Stephen Pelz, Jonathan Utley, Roger Dingman, and my colleague Richard Kuisel all examined the manuscript in painstaking detail at various stages of its evolution. The result is much the better for their efforts. In Japan, Nakamura Takafusa and Hara Akira were unsparing in their help. Hosoya Chihiro cannot go unmentioned in this regard, either. Asada Sadao acted as faculty sponsor during my stay in Japan.

Preface

Without librarians and archivists, the craft of history would be impossible. Special thanks are due the staffs of Houghton and Widener libraries at Harvard University, the Sterling Memorial Library of Yale University, the Hoover Institution of Revolution, War, and Peace collection at Stanford University, the Herbert Hoover and Franklin D. Roosevelt presidential libraries, and the National Diet Library in Tokyo. Archivists at the National Archives, in Washington and at the Suitland annex, were most helpful, as were their counterparts at the Library of Congress, especially Key Kobayashi of the Orientalia Division, who permitted me to explore his holdings of crumbly South Manchurian Railway studies at leisure and to my content. Although not archivists in the true sense, the many compilers of the 100-volume-plus official Bōeichō history and the spectacular *Gen-daishi shiryō* series merit thanks for their bringing literally thousands of documents to light in an easily accessible form. Most valuable in this respect for my particular purposes was the tireless work of Ishigawa Junkichi, whose collection of mobilization documents was truly indispensable.

More than thanks should go to Janet, my wife, who endured more than a fair share of missed days together and distractions from her own academic and other research work, but this is all I can offer—on these pages, anyway!

Words are even less appropriate to express my feelings for Yamane Shin. Shin, one of Asada's graduate students, befriended me from my first day in Japan. He was utterly selfless and a wonderful human being, whether in deciphering difficult Japanese phrases or in ensuring that an American stranger spent many enjoyable days and nights in his country. He was also a first-class student of history, dedicated to writing a study of Japanese influence in Southeast Asia in the immediate aftermath of World War II. His sudden death in Taipei, while conducting research, renders our profession, and my life, much the poorer.

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Abbreviations

In writing this book I have used several collections of documents, published and unpublished. References in notes to these books are made by abbreviation. For works of more than one volume, such as the *GDS* titles, only one abbreviation is provided. Full citations are given in the bibliography.

DBFP	Butler, <i>Documents on British Foreign Policy</i>
DF	United States, National Archives, State Department Decimal File
DR	Bōeichō, <i>Daihon'ei rikugunbu</i>
FES	<i>Far Eastern Survey</i>
FRUS	United States, Department of State, <i>Foreign Relations of the United States</i>
FRUSJ	United States, Department of State, <i>Foreign Relations of the United States: Japan, 1931-1941</i>
GDS	<i>Gendaishi shiryō</i>
IKS	Tsunoda, <i>Ishiwara Kanji shiryō</i>
KG	Bōeichō, <i>Kaigun gunsempi</i>
PHA	United States, Congress, <i>Pearl Harbor Attack</i>
RGD	Bōeichō, <i>Rikugun gunju dōin</i>
SWT	Yomiuri, <i>Shōwashi no tennō</i>
TSM	Nihon Kokusai, <i>Taiheiyō sensō e no michi</i>

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Map 1. East Asia before World War II

Introduction

From the commencement of the Meiji Restoration to the conclusion of the Pacific War, Japan pursued the status of a great power through expansion abroad and reform at home. The requisites of that status, however, changed over the decades. This book traces one such change.

Japanese statesmen of the Restoration looked first to restore the elemental aspects of national sovereignty. They worked toward the abolition of Western rights of extraterritoriality and the restoration of Japan's tariff autonomy. Such achievements were not to be had simply for the asking. Japan had to construct domestic laws and institutions that would satisfy foreign concerns.

Even as Japan achieved full recognition of its status as a nation, however, it found itself engaged in a struggle for territorial security. In 1894 came war with China, over strategically vital Korea. Victory yielded both territory and an indemnity sizable enough to enlarge the Imperial Army and Navy. These new forces were bloodied a decade later during the Russo-Japanese War, a product of Tokyo's desire to consolidate its position on the Korean peninsula. By the close of that conflict the Japanese Empire had established dominance over southern Manchuria as well.

In the years that followed this success, Japanese leaders endured transient war scares with America, the overthrow of an ancient dynasty in China, and the outbreak of a colossal conflict in Europe. None of these threatened Japan's security. Indeed, two of them enhanced it, by weakening the capacity of Tokyo's Asian neighbor and its European rivals to resist further Japanese expansion.

But Japan's status as a great power was shaken by Germany's collapse in 1918. Superficially this collapse strengthened Japan's position in the world arena. Tokyo had been allied with the winning side, acquired the German concessions in Shantung, and was recognized as a ranking power at the Paris peace conference. More deeply, however, the German collapse caused certain officers in the Imperial Army to have second thoughts about the future safety of their country. To be sure, the government had approved substantial increases in the size of the army and navy during the European war. Yet Germany, though it had far more formidable forces, had been vanquished.

These officers concluded that, for their Asian empire, the lessons of the European conflict were ominous. Future wars would be fought not only with guns but with the entire resources of nations, from engineers to doctors, from cotton to iron ore. Without these requisites of *economic* security, the mightiest army would be paralyzed. And without a modern industrial base that could be mobilized in time of need, even these requisites would prove useless. A nation that could not supply all of its own needs in wartime, a nation that was vulnerable to economic pressure from other nations, would be neither truly secure nor truly sovereign.

At first, these concerns were muted, for the 1920s were the decade of military retrenchment, international cooperation, and "Taishō Democracy" in Japan. Still, men dedicated to achieving economic security for their country were not idle. They laid the foundations for a program combining expansion abroad and reform at home which would accomplish their objective.

By the mid-thirties these "total war officers" had repulsed challenges to their plans, challenges both from within the services and from without. Japan had assumed direct control of Manchuria and was making impressive strides toward the economic absorption of the rich provinces of northern China. A special session of the Diet had been called for July 1937, and it would consider a colossal plan to expand the productive capacity of Japan's heavy industries.

That same month, however, shooting near the Marco Polo Bridge erupted into a full-scale clash between China and Japan. Those Japanese leaders committed to economic security vigorously opposed the decision to escalate from the initial skirmishing, certain that war would jeopardize their plans for industrial expansion and perhaps even the territories already won. They were overruled.

For the next four years, the Japanese Empire labored to win the war in China and become self-reliant. The task was impossible. Fighting on the mainland made Tokyo more, not less, dependent on outside

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powers (particularly the United States) for the means with which to make war. To escape this dilemma, Japan's leaders elected to ally themselves with Hitler's Germany and strike to the south, where the rich European colonies of Indochina and the East Indies held out the promise that Tokyo might yet achieve the goal of self-sufficiency. Success, however, proved short-lived.

The principal foreign obstacle to Japan's attempt to achieve economic security was a United States committed to a world of fewer barriers to international trade and political liberalism. Americans often considered open trade a prerequisite to political freedom. As Cordell Hull reasoned,

if we could get a freer flow of trade—freer in the sense of fewer discriminations and obstructions—so that one country would not be deadly jealous of another and the living standards of all countries might rise, thereby eliminating the economic dissatisfaction that breeds war, we might have a reasonable chance for lasting peace.¹

In the years after World War I these words acquired a double edge. As commercial connections increased, forming a road to world peace, nations that violated the peace by aggression were to be punished by being deprived of all economic intercourse. A ban on trade with and loans to states that refused to obey accepted canons of international behavior was a novel idea. Nevertheless, the notion was enshrined in Article 16 of the Covenant of the League of Nations. The United States did not join the league, but its rejection of the institution by no means entailed rejection of the principle. Woodrow Wilson first applied it in July 1919 against the new Bolshevik regime, declaring, "For any Government to permit them to increase their power through commercial intercourse with its nationals would be to encourage a movement which is frankly directed against all Governments and would certainly invite the condemnation of all peoples desirous of restoring peace and social order."² Succeeding Republican administrations may have emphasized restrictions on the export of arms and foreign loans, but overall their policies were not far different.³

The Great Depression ended Republican rule, as it also weakened the international economic community. One after another, nations

1. Cordell Hull, *Memoirs*, 2 vols. (New York: Macmillan, 1954), 1:81.

2. Quoted in N. Gordon Levin, *Woodrow Wilson and World Politics* (New York: Oxford University Press, 1968), 232.

3. See, for example, Herbert Feis, *The Diplomacy of the Dollar* (Baltimore: Johns Hopkins University Press, 1950).

rejected multilateral solutions to their woes and sought solutions within their own borders. Franklin Roosevelt's America was no exception.

Some thoughtful diplomats began to suspect that at least two countries, Germany and Japan, had determined to see this trend through to its logical conclusion: complete autarky. Both countries seemed at the same time to embrace political totalitarianism at home and territorial aggression abroad. The combination of aggression, totalitarianism, and autarky posed a threat that the liberal world could not ignore.

At first, officials in the State Department charged with analyzing Japanese foreign policy refused to believe in the sincerity of Tokyo's attempt to attain self-sufficiency. Japan's paucity of all strategic resources made the attempt appear wildly impractical. Ironically, it was the outbreak of war between China and Japan in 1937, the war that ended the dreams of the total war officers in Japan, which convinced American observers that Tokyo was indeed aiming for autarky.

For the next two years, the American administration groped for a response to this growing threat to global peace and stability. For nearly another year, it engaged in a program of cautious pressure against Tokyo. Finally, in increasing frustration, it commenced eighteen months of economic "cold war" ended only by the Imperial Navy's attack at Pearl Harbor.⁴

Throughout this time Roosevelt's lieutenants variously advocated and opposed a wide array of options that America should adopt toward Tokyo. The debate first raged in the State Department. Some diplomats supported U.S. participation in multilateral economic pressure against Japan for its violations of international law and American rights in East Asia. Others preferred a more cautious approach, one that would divorce U.S. initiatives from those of other countries. Within a short time new parties joined these discussions. Representatives of the War and Treasury departments had ideas of their own, ideas often pressed on the president without State's approval. Meanwhile Japanese acts in China led to outrage among American citizens, outrage that spurred congressional resolutions and the development of lobbying organizations. With the coming of a second European war and the first halting steps toward rearmament in the United States, officials in charge of the preparedness effort became engaged, almost

4. The phrase "cold war" is from Akira Iriye, *Power and Culture: The Japanese-American War, 1941-1945* (Cambridge: Harvard University Press, 1981), 1.

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unwittingly, in the discussions of policy toward Japan. These are discussions that bear close examination.

There is a certain irony inherent in the courses that the United States and Japan pursued in the years before Pearl Harbor. In Tokyo leaders committed their resource-poor empire to an attempt to achieve self-sufficiency, so that Japan might be secure in any future conflict. They were instrumental in plunging Japan into a war that made first self-sufficiency and then national security itself impossible. In Washington, at the same time, defenders of a vision of all nations trading freely and in peace resorted to the harshest of commercial pressures, in order to seal off trade between their country and Japan. The result eventually was war—a war that neither nation desired, but one that neither could avoid.

The Rise of Autarky in Japanese Strategic Planning

The Japan that Commodore Matthew Perry found had no means to support modern warfare. Conflict was waged with swords, shields, and bows and arrows, which skilled artisans manufactured one at a time.

The Meiji Restoration changed all this. Its slogan "Rich country; strong army" illustrates the commitment of Japan's new leaders to create factories that could produce modern weapons. The Yokohama Iron Works began constructing warships in 1865. Six years later the Imperial Army acquired its own arms factories and by 1880 was producing the first rifle of Japanese design. Both services directed the growth of a military industry that, by the close of the Russo-Japanese War, was capable of maintaining an army over a million strong and a navy that had decisively defeated the tsar's finest fleet. In the process, of course Japan's demand for iron, steel, and the other essentials of modern conflict soared.¹

Throughout these years little thought was given to the problem of acquiring these essentials. In every war waged since 1815 neutral powers had supplied the belligerents with the necessary financing and materials. Because conflicts in Asia, as in Europe, were invariably short, the Japanese military concentrated on drafting plans that would ensure the fastest possible mobilization of money, guns, and horses. They did not prepare to muster the full power of the Japanese economy for a protracted contest.²

1. Ushisaburo Kobayashi, *Military Industries of Japan* (New York: Oxford University Press, 1922), 3-4, 21, 30, 42, 220.

2. *RGDI*, 1-8.

This pattern was abruptly altered in the summer of 1915, when the fury of World War I's initial autumn offensives gave way to grinding trench warfare. Japanese staff officers in Europe submitted reports that revolutionized thinking about the nature of modern warfare. There were no neutrals; war was sure to last more than a year, perhaps far longer; belligerents who were not self-reliant were lost. As Colonel Ugaki Kazunari, chief of the important Military Affairs Section in the Army Ministry, observed in Tokyo, it was no longer enough that Japan was able to construct its own warships and artillery pieces. The nation now needed secure access to iron ore and other necessary items.³

The Army Ministry charged Colonel Koiso Kuniaki, a close associate of Ugaki's, to analyze Japan's security problem in light of these new developments. Koiso toured Japan and northern and central China, and he eagerly translated a study of German attempts to achieve wartime autarky. His findings, which received much attention in high civilian and military circles, urged a two-pronged program for Japan. Neither the home islands nor the empire in Formosa, Korea, and south Sakhalin could provide resources sufficient for waging modern war. The control of richer territories, such as China, was imperative.

Establishing the necessary control would take time, but Japan could adopt the second aspect of Koiso's program at once. Without a well-ordered domestic economy, one that could mobilize rapidly and efficiently for war, more resources would be of no value. What was needed, Koiso resolved, was a comprehensive plan for mobilization.⁴

This recommendation received immediate support from the Army Ministry, which had dispatched Major Suzumura Kōichi to Europe expressly to study the industrial mobilization of the belligerents. In late 1917 Suzumura began drafting a central plan for Japan.⁵

The first result of these efforts was the Munitions Mobilization Law (*Gunju dōin-hō*). The army's bill proposed a central organ for mobilization, one that would directly control those industries which produced items deemed necessary for military use in time of war or "incidents." The organ would be staffed and operated by the Imperial Army and Navy, although it would fall under the administrative jurisdiction of the prime minister.

In normal times there would have been little hope for cabinet,

3. Ugaki is also known as Ugaki Kazushige. *RGD1*, 15-16; Tsunoda Jun, ed., *Ugaki Kazunari Nikki*, 3 vols. (Tokyo: Misuzu Shobō, 1968-71), 1:103-4; and *DR1*, 246.

4. *SWT*, 16:141, 133-38, and *RGD1*, 34-42.

5. *RGD1*, 44-48.

much less Diet, approval of the idea. But the winter of 1917–18 was hardly normal, for in Russia a full-scale revolution was in progress. The Imperial Army was certain that Japan had an opportunity to drive Russian power out of northeastern Asia. Its General Staff planned a thrust into Siberia using twelve divisions—an operation that would require partial mobilization of the Japanese economy.

The cabinet limited the proposed force to two divisions but found refusal of the mobilization measure difficult, particularly because it was committed to provide substantial material aid to anti-Bolshevik Russians. The Diet passed the bill in March 1918, but not without amendment. The key powers of the mobilization organ were to be exercised only during full-scale wars, not incidents, insuring that they could not be invoked during the Siberian expedition.⁶

To administer the new law, a small munitions bureau (*Gunjyoku*) was established in June. Its first task was to survey Japan's economic capacity for war, with a view to developing plans to mobilize that capacity. In reality the bureau could do little else. It might suggest guidelines regarding war finance to the Finance Ministry, for example, but it had no power to enforce them. Unless war came, it could only advise.

This arrangement served to retard actual planning, and so the military pressed for more authority for the bureau. It succeeded in May 1920 with the organization of the National Strength Evaluation Board (*Kokusei-in*) and the promulgation of an imperial command, the "Order Related to Munitions Research" of August, which compelled all cabinet ministers to cooperate with the prime minister in planning for mobilization.⁷

The military's victories proved short-lived, however, as the board was abolished in November 1922. No evidence sheds light on the precise causes, but lecturers at Japan's Military Academy later blamed the board's interference in the traditional administrative spheres of other ministries. Army planners were dismayed, terming the abolition the greatest setback yet to control of the empire's resources. They were equally mortified to find that the duties remaining in mobilization planning fell to the Ministry of Agriculture and Commerce.⁸

Planning languished until Ugaki, now a major general, became army minister in early 1924. His interest in preparing a peacetime Japanese economy for war had grown over the years, and so had his

6. James W. Morley, *The Japanese Thrust into Siberia, 1918* (New York: Columbia University Press, 1957), 269–77, app. B, and *RGD1*, 53–62.

7. *RGD1*, 68–69, 143–49.

8. *RGD1*, 151–52.

political sophistication. He directed the attention of instructors at the Military Academy to the importance of mobilization. He recreated the defunct Munitions Bureau and established a new Equipment Bureau (Seibikyoku), this time within the Army Ministry. And he appointed young officers to posts within these agencies, placing the brilliant Lieutenant Colonel Nagata Tetsuzan at the head of the ministry's Mobilization Section.⁹

Ugaki's interest in these concerns extended beyond his own ministry. He joined the opposition to Prime Minister Katō Takaaki's retrenchment program, which promised to reduce the national budget by over 15 percent and the army's by an unheard-of thirty million yen. Ugaki secured less drastic cuts, which nevertheless resulted in the dissolution of four divisions—a loss that poisoned his reputation in the service for years. But in exchange he secured two key concessions. Part of the funds saved would be returned to the army, to allow the formation of modern, mechanized units. Far more important, the army minister obtained Diet approval to establish a full-fledged central mobilization agency.¹⁰

Ugaki wasted no time, and by May 1927 the Cabinet Resources Bureau had been established. Under Major General Matsuki Naosuke,¹¹ the bureau completed a study of the scope and nature of national mobilization. It differed radically from past proposals. Rather than concentrate on the mustering of materials for direct military use only, Matsuki's plan encompassed all of Japan's economic activity. Every individual, from train conductors to dentists, was to be accounted for; labor actions and management profits were to be strictly controlled; and direct military supervision would no longer be confined to those factories producing only munitions and other implements of war.¹²

The Resources Bureau required further legal authority to complete actual plans of such vast scope. To secure that authority, it drafted a resources research law, which the Diet approved in April 1929. By June the bureau had obtained cabinet sanction for research guidelines and regulations compelling every ministry, civilian and military alike, to draw up detailed estimates of its needs for two years of a war so total that, in the phrasing of the instructions, it "gambles the fate of the nation." In preparing these figures, each ministry was to calculate

9. *RGD1*, 241–44, and *SWT*, 16:151.

10. Jun, *Ugaki*, 1:115, 460, 523; Peter Duus, *Party Rivalry and Political Change in Taisho Japan* (Cambridge: Harvard University Press, 1968), 196; and *RGD1*, 228–39.

11. Matsuki had been chief of the Equipment Bureau, another of Ugaki's creations.

12. *RGD1*, 255–58.

the very smallest amount of each resource it would require for its functioning as well as the amount needed to keep the Japanese civilian population at a minimum standard of living.¹³ The Resources Bureau would coordinate these estimates and draw up an overall plan. It could adjust a ministry's calculations or negotiate with the ministry to secure revisions, but whichever course it chose, it could at last begin serious mobilization planning.¹⁴

Members of the Resources Bureau realized that the process could not be completed rapidly. Nor did they want to complete it only to discover insurmountable practical difficulties. In February 1929, accordingly, the bureau developed a trial plan for the Kansai (Osaka-Kyoto) area.

The exercise operated over a ten-day period in the early summer. Nearly all of the government's ministries sent observers, though the army and navy officers greatly outnumbered the civilians. The exercise started when the Resources Bureau declared a state of total mobilization. The populace was duly told of the first forays of Imperial air forces over enemy territory and of retaliatory strikes against northern Kyushu, which included the use of poison gas. During this mock activity, military officers assumed real control over civilian factories and directed their rapid conversion to war production. The actual output of materials for the military, from aspirin to fuel oil, was measured carefully, and these figures were then compared with the trial plan's goals in an effort to determine Japan's actual capabilities for mobilization. The services purchased all the goods made during the exercise; factory owners reaped handsome profits; and the people generally experienced something of the likely nature of the next war.¹⁵

On the national scale planning proceeded apace. At the first mobilization conference, in April 1930, members of the Resources Bureau briefed representatives of the ministries about the precise information they needed. That conference also resolved thorny questions of ultimate jurisdictions (sometimes with amusing results: the Ministry of

13. Each ministry would also examine the availability of certain resources in the Japanese Empire.

14. *RGD1*, 262-71; Ishigawa Junkichi, comp., *Kokka sōdōin-shi: Shiryō-hen*, 6 vols. (Tokyo: Kiyomizu Insatsujō, 1975-76), 1:9ff.; and *RGD1*, 273-74. Ishigawa's compilations include reproductions of the actual documents used by Japan's economic mobilization agencies.

15. O. Tanin and E. Yohan, *When Japan Goes to War* (New York: Vanguard, 1936), 132, and Captain Yamamoto, "Shōwa 4-nendo sōdōin enshū ni tsuite," *Kaikosha kiji* no. 661 (October 1929), 6-7, 9-10, 15-16. A precise breakdown of operational results versus the planners' goals can be found in Yamamoto, 28-32.

Commerce and Industry was to oversee analysis of Japan's alcohol reserves, but the Home Ministry managed to secure for itself the study of the commodity "for medicinal purposes"). After the conference separate interministerial bodies, *bukai*, were formed to do the actual work for each large category of resources such as "fuel" or "factories." This approach greatly eased manpower problems for the researchers, because the military agreed to provide the bulk of the staff for each *bukai*.

One year later the *bukai* had collected preliminary data, and in late April 1931 a second conference met. Civilian and military planners resolved to complete an outline plan by the following March. Upon receipt of cabinet approval they would then provide Japan with its first comprehensive mobilization plan for total war. They aimed to have it ready by September 1932.

At first the *bukai* stayed on schedule. By June 1931 they had submitted estimates of wartime supply and demand for essential materials to the Resources Bureau. The bureau proceeded with refinement and synthesis of the data through the summer, but on 18 September 1931 events near Mukden ensured that the planners would not meet their spring deadline.¹⁶

Japan could not confine its attempt to achieve self-sufficiency to preparing the domestic economy for total mobilization. As Koiso's initial studies had indicated, the economy lacked adequate quantities of nearly all the materials needed for modern warfare—and this realization added an economic dimension to the already considerable strategic attractiveness of controlling nearby territories in China. The logical starting point was Manchuria.

Manchuria had been the setting for the principal battles of the Russo-Japanese War. Tokyo had waged that conflict primarily to secure the empire's claims to Korea, but the result had been the welcome establishment of a sphere of influence throughout southern Manchuria. Crucial were the rail lines running from inland Mukden to the port of Dairen.

The railroad's value was initially perceived as solely strategic: in any rematch with Russia, Japan would be able to transport troops rapidly northward to the border. But by the 1920s the railroad was yielding increasingly valuable economic results as well. In mid-1906 Tokyo had formed the quasi-public South Manchurian Railway Com-

16. Ishigawa, 51ff., and *RGDI*, 315-16, 337, 348-50. Charts showing the predominantly military composition of these bodies are in *RGDI*, 353-55; Ishigawa, 39ff.; and *RGDI*, 385-411.

pany from the rail and mining properties won from Russia. The company began intensive and successful development of the Dairen port facilities and the Fushun coal mines. Its central laboratory pioneered work on a wide range of industrial enterprises, from ceramics to steel. Its geological institute located large iron ore deposits at Anshan, in 1909. Unable to secure a concession from Chinese authorities in Manchuria, the Tokyo government deemed the find so vital that it included rights to develop it in the "Twenty-one Demands" of 1915—Japan's most vigorous attempt to secure dominance over China while war distracted the west. The Chinese yielded, and Japanese geologists explored the coal and iron deposits of the region. A decade later, technological problems involved in smelting the iron ore having been solved, pig iron production commenced.¹⁷

The Imperial military maintained a deep interest in these developments. Army circles saw the expanding Japanese presence in Manchuria as a natural—and necessary—complement to the mobilization program at home. Naval officers had a narrower but equally serious concern in the region, for the railway works at Fushun had produced Japan's first synthetic petroleum.¹⁸

For the Imperial Navy, self-sufficiency for security meant self-sufficiency in oil. By 1920 oil had supplanted coal as the fuel for first-line warships, and the navy's studies of the state of Japan's oil resources were not encouraging. Even in the near future Japan would be unable to supply the oil needed for wartime naval operations. Over the long term the prospects for supplying a modern fleet, particularly after the completion of Japan's huge wartime building program, grew even dimmer. Obviously the navy had to locate other sources of petroleum.¹⁹

One answer was to stockpile imported oil. By the end of 1926 the navy had stored over 1.5 million tons, principally from the United States and Borneo. But this solution was only temporary. Overseas shipments could be curtailed in crisis, and the storage tanks themselves were vulnerable to enemy attack.²⁰

Another was to acquire oil-producing land directly. Drillings in Taiwan, part of the empire since 1895, proved disappointing, but naval subsidies begun in 1919 to get Japanese oil companies to ex-

17. Kungtu C. Sun, *The Economic Development of Manchuria* (Cambridge: Harvard University Press, 1969), 63–64, 66, 70–71.

18. *Ibid.*, 73–74.

19. *KG1*, 685.

20. *KG1*, 689–91, and *RGD1*, 375.

plore in northern Sakhalin showed results. The region, however, though occupied by Imperial forces as part of the Siberian expedition, remained officially part of the new Soviet Union. To make matters worse, the Soviets had granted an American firm, Sinclair, survey and development rights to the area in question. In early 1923 a determined Imperial Navy secured a formal cabinet decision to deny Sinclair access. Two years later Japan's occupation of northern Sakhalin ended in return for confirmation of its rights to half of the area's oil production. By 1930 the navy was drawing over 100,000 tons of petroleum per year from these concessions.²¹

This amount, though substantial, was far short of the navy's requirements. But in the 1920s, rather than look further afield for territories rich in oil, it embarked upon an ambitious and expensive program to produce synthetic petroleum. The navy's chief partner was the South Manchurian Railway, which commenced production of oil from Manchurian oil shale at Fushun in 1926. In another project, established a year later, the navy and railroad began attempts to liquefy oil from coal.²²

Both branches of Japan's military thus had significant economic interests in Manchuria; but the army's was the deeper. It was particularly manifest in an association of middle-ranking officers called the Issekikai. Founded in late 1928 by Major Suzuki Teiichi, a young associate of Nagata's who would play a vital role in Japan's attempt to achieve self-sufficiency, the Issekikai devoted itself to national policy issues. Its first meetings considered Manchuria.²³

Japan's substantial presence in the area, built up since 1906, relied on a system of concessions and sphere of influence subjected to ever greater criticism from Western liberals and, more disturbingly, Chinese nationalists. The Chinese vehemently opposed Japan's retention of the German concessions in Shantung after 1918. Japanese businesses in China proper became targets for Chinese strikes and boycotts. At first these expressions brought few results because of China's deep political disunity, but Tokyo saw this factiousness ending in the late 1920s as the Kuomintang under Chiang Kai-shek rose

21. Hosoya Chihiro, "Washington taisei no tokushitsu to hen-yō," in Hosoya Chihiro and Saitō Makoto, eds., *Washington taisei to Nichi-Bei kankei* (Tokyo: Tokyo Daigaku Shuppansha, 1978), 7-8; Tōyō Keizai Shinbunsha, ed., *Shōwa Sangyōshi*, 3 vols. (Tokyo, 1950), 1:55, 76-77; and *RGD1*, 380.

22. *RGD1*, 375, 381-84.

23. Leonard A. Humphreys, "The Imperial Japanese Army, 1918-1929" (Ph.D. diss., Stanford University, 1974), 235.

to prominence. By May 1927 Chiang's forces had entered the Peking-Tientsin area in north China. To protect its interests, Japan responded with an armed expedition to Tsinan.²⁴

As Imperial troops marched, the Eastern Conference convened in Tokyo. Japanese civil and military leaders agreed that, though Sino-Japanese amity was important—to facilitate the development of continental resources—all measures necessary for the protection of Japanese rights and interests should be undertaken. Younger army officers present, Suzuki among them, took this to mean that Manchuria should be removed from the administrative sphere of China proper and the Kuomintang.²⁵

At Issekikai meetings debate raged as to how this might be accomplished. With China's revolution in 1911, Peking's control over the Manchurian provinces had vanished, and Japan had come to play an intricate game of power politics with the dominant warlord there, Chang Tso-lin. Chang's grip was challenged often enough in the early years to make him a tractable associate. By the time of the Eastern Conference, however, he was showing signs of independence.²⁶

By that time, too, the Soviet Union had recovered from its own shattering internal upheavals and was rebuilding its forces in the Far East. Indeed, in late 1925 the Imperial Army's General Staff had decided to construct five new rail lines into northern Manchuria. These would be used for reinforcement and supply of Japanese forces if war broke out.²⁷

But the lines could not be built without Chang's permission, so the two top officials of the South Manchurian Railway, Yamamoto Jōtarō and Matsuoka Yōsuke, met with the warlord in October 1927. They soon concluded an agreement that allowed the construction of all five lines. The arrangement was upset one month later, when the Kuomintang announced that it would not recognize any accords to which it was not a party. Forced to make a choice, Chang elected to turn away from his erstwhile partners in Tokyo and Dairen. His relations with Japan reached their nadir in May 1928, when Prime Minister Tanaka Gi'ichi ordered the Kwantung Army into Mukden to disarm Chang. A month later Kōmoto Daisaku, an army officer close to mem-

24. Akira Iriye, *After Imperialism* (Cambridge: Harvard University Press, 1965), 58–60, 71–72, 147–49, 154–55, and Bamba Nobuya, *Japanese Diplomacy in a Dilemma* (Vancouver: University of British Columbia Press, 1972), 288–89, 293.

25. Iriye, *After*, 151–52, 154–55, and *TSM*, 1:290.

26. Sadako N. Ogata, *Defiance in Manchuria* (Berkeley: University of California Press, 1964), 12–13.

27. *DR1*, 293, 288, 278.