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Far Eastern Survey, Vol. 10, No. 6 (Apr. 7, 1941), 64-69.

Stable URL:
http://links.jstor.org/sici?sici=0362-8949%2819410407%2910%3A6%3C64%3APITP%3E2.0.CO%3B2-B

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By CATHERINE PORTER

THE early months of 1941 have seen much unusual activity in the Philippines. American military forces in the islands have been steadily augmented; American cruisers have been making large deliveries of airplane parts and munitions; wives and children of United States Army and Navy men have been leaving by every transport. In January the entire island of Luzon, largest and most important in the archipelago, was the scene of large-scale maneuvers of United States Army troops, which were considered unusually significant.

At the end of March a large number of Filipino reserves, possibly 100,000 men, were undergoing active-duty training under the direction of the Philippine Army. The word "mobilization" was not used in connection with the call to training, lest the term unduly excite the civilian population.(1) In the first week of April the annual registration of men 20 years of age was held. It was estimated that some 100,000 Filipinos would register, from whom the yearly class of trainees for the reserve forces would be drawn.

In the midst of all this activity, which has not passed unnoticed by an uneasy civilian population, President Quezon finally announced on March 21 the appointment of a Civilian Emergency Administration composed of nine members, all cabinet officers in the Commonwealth Government, to coordinate the program of civilian defense. This was the outgrowth of recommendations of a planning board including American and Filipino officials and civilians which has been working quietly since last October on such problems as supplies, transportation, communications and air-raid protection. It is now made clear that responsibility in time of emergency for protection of the general population lies in the hands of Commonwealth officials.

Thus is attention drawn to the unique position of the Philippines. For this is the country which the United States set on the road to freedom only a few years ago. Responsible for Philippine defense until 1946, the United States was prepared after that date to withdraw the small American forces from the islands, to relinquish its military establishments to the Philippine Government, and to make such adjustments with regard to naval reservations and fueling stations as might be deemed necessary by the United States and agreeable to the Philippines. In other words, the United States was seen retiring gracefully from its imperialist venture in the far Pacific, leaving the Filipinos to fend for themselves after forty years of American direction and protection.

The framers of the Independence Act did, however, make one provision therein which was intended to make secure the position of the Philippines. The President of the United States was requested (Tydings-McDuffie Act, Section 11) "at the earliest practicable date to enter into negotiations with foreign powers with a view to the conclusion of a treaty for the perpetual neutralization of the Philippine Islands, if and when Philippine independence shall have been achieved." And the Filipinos set about organizing forces to defend their rights and their liberty.

Commonwealth Defense Plan

Before the inauguration of the Commonwealth Government, Major General Douglas MacArthur was detailed as military adviser to the Commonwealth at the request of Mr. Quezon, then President-elect. MacArthur assisted in outlining the plan for national defense embodied in the act by that name, which became Commonwealth Act No. 1. This plan, annually budgeted for about $8,000,000, proposed to make the defenses of the islands strong enough to render their invasion too costly to be undertaken. MacArthur estimated that invasion would cost an enemy half a million men and over five billion dollars. Moreover, he consistently minimized the much-discussed threat of Japan to the Philippines.

These paper plans were made, however, before the China incident, before the day of the blitzkrieg, before treaty violations became, not a cause for war but a mere incident in the course of war. No official move has been made to negotiate for a treaty of neutralization. A year ago Quezon openly expressed doubts about the country's ability to defend itself, and a slackening in the Philippine defense effort appeared in subsequent cuts in appropriations for munitions and equipment.

Many thoughtful persons have heretofore discounted the possibility of the Philippines' being the object of aggression. Japan, for many years considered a potential menace in the whole area, has strong ties of friendship and of commercial interest in the Philippines. There are many things in the islands which Japan needs, such as hemp, lumber and ores. Moreover, a market of 17 million people would be important for Japanese manufactured goods. But it would be unlikely that Japan would seek to conquer these markets by costly military means, especially at a time when

(1) New York *Herald Tribune,* Feb. 13, 1941.

the easier path of friendly trade and peaceful penetration was opening more widely. The gradual closing of the United States free market to large Philippine exports seemed logically to promise closer economic cooperation between Japan and the Philippines after 1946. In the interim, business as usual would be sufficiently attractive to both.

Even after the China incident began in the summer of 1937, it was still believed that Japan had her hands full on the mainland of Asia and that the Soviet Union and China would offer sufficient diversion to ensure Japan's southward drive's continuing along friendly commercial lines.

Events of the last few years, however, have completely altered the picture. Japan's adherence to the Rome-Berlin Axis, the merging of the European and Far Eastern wars into one great conflict, the stiffening of the democratic front throughout the Far East—all of these things have resulted in bringing the Philippines into the camp of the powers opposing the spread of aggression and the establishment of "new orders." In recognition of this fact, *Domei* some weeks ago quoted the Japanese Vice-Foreign Minister as saying: "Japan is interested in the Philippines as a friendly neighbor and therefore desires that the islands will not endanger Japan in the future."(2)

New American Rôle in Pacific

The United States, whatever its intentions may have been in 1934 with regard to retiring from the far Pacific, has acquired increasing stature in that area. In the last year American official pronouncements have shown growing concern about the maintenance of the status quo. United States aid to China has continued, and indirect aid has been given the Netherlands Indies and the British Pacific Dominions in their defense preparations. Fortification of Guam, in the midst of the Japanese Mandate, has now become part of an expanding United States naval program. And the passage of the Lease-Lend Bill has given the United States the title "arsenal of the democracies," which has great import for the Pacific as well as for the Atlantic.

No longer is it a question whether the United States will fight to defend the Philippines, an issue which might find the American people divided if not preponderantly opposed to such a crusade. If war spreads in the Pacific and if the United States is involved, the Philippines will also be involved automatically. In that case, the issue will be defined in terms which are familiar on both sides of the world, which include many peoples and many diverse forms of government under the banner of democracy.

The Philippines, assured of the continuing protection of the United States until 1946, has heretofore had its own ideas about its situation. Writing in the *Herald Midweek Magazine* in October 1939, Vicente Albano Pacis said: "If war comes, what of the Philippines? Being still an American territory, she can legitimately depend on American protection. It was former United States High Commissioner Paul V. McNutt who said that the mere fact that the American flag continues to fly over the islands will be an adequate protection of the Philippines from invasion. Possible developments in the Philippines under the American flag seem to point to the opposite result. The American flag may instead be an invitation to invasion."

Anomalous Position of Philippines

At that time, the writer might have been thinking of a limited war between the United States and Japan. But the world situation has radically altered and limited war is no longer conceivable. Even if the Philippines were now independent, it is highly questionable whether the country could rely upon its own military strength to safeguard its neutrality. With the rest of the Far East aligning itself in two hostile camps, even a completely independent Philippine state would probably have to make its choice, with the sad experience of European neutrals serving as a warning to all the small independent nations of the world. As matters now stand, the country has no choice. In his annual message to the Philippine Assembly,(3) President Quezon said:

> The Government of the United States has embarked upon a program of national defense which, we earnestly hope, includes the Philippines; for the defense of our country remains primarily the responsibility of the United States. This is as it should be, because so long as we are under the American flag it rests exclusively with the United States, and not with us, to determine whether we shall be at peace or at war.

Having made this point, President Quezon continued his message by stating that the Filipino people are ready to bear their full share of responsibility in cooperating with the United States in the execution of the defense program. He reported that he had "assured the Government of the United States, in behalf of the Commonwealth, that the entire Philippines—its man power and material resources—is at the disposal of the United States in the present emergency." Not only does the Independence Act provide for such cooperation; there is evidence that the Filipinos are really loyal to the United States.

There has been much discussion in Manila and Washington, and doubtless in other centers, about the defensibility of the Philippines. Experts have traditionally disagreed as to whether the country would constitute a source of weakness or of strength to the United States in case of war in the Pacific. It was long

(2) New York *Herald Tribune,* Feb. 18, 1941.

(3) President Quezon's message to the Philippine National Assembly, as reported in *The Philippines Herald,* Feb. 1, 1941.

the popular opinion in America that, in case of an attack upon the Philippines, American forces would withdraw to carry on the war elsewhere, by naval blockade and other action, confident eventually of regaining the islands. The blitz methods of modern war, the terror and destruction which the airplane has brought, suggest that any number of dusty plans must have been scrapped and new blueprints prepared to meet all emergencies. Many doubts have been expressed in the Philippines as to the exact degree of protection which their relationship with the United States guaranteed the Filipino people. Some comfort was found in the statements of Secretary Stimson and Secretary Knox, made last fall, intimating that while the American flag continued to fly over any territory the United States could not be indifferent to the security of that country.

It is difficult to predict what action in the Pacific might be considered a threat to vital American interests and might therefore lead to United States involvement in the Far Eastern conflict. It is apparent, however, that United States interest does not begin or end with the Philippines. China, Singapore, the Netherlands Indies, Australia and New Zealand are all considered parts of the democratic front. It must not be forgotten that the Commonwealth has this near circle of friends, whose military strength is steadily growing. But the Philippines is America's Far Eastern outpost and an important base for operations in that entire area. From this point of view, its present resources are to be appraised.

Naval Defense for the Philippines

Encircled as it is by Japanese-controlled islands (Hainan 700 miles to the west, the Japanese Mandate 850 miles to the east, Formosa less than 200 miles from the northern tip of Luzon), the Philippines offers great possibilities for offensive action. In terms of defense, it becomes a complicated problem. For naval protection, the country must depend primarily upon the Asiatic fleet of the United States Navy. In recent years this has comprised two heavy and two light cruisers, a dozen destroyers, a dozen submarines, a few mine layers, patrol vessels and auxiliaries, plus some river gunboats in China waters. At the end of 1939 this force was increased by the addition of an aircraft carrier, several long-range bombing planes and submarines. An undisclosed number of naval airplanes reinforces this rather meager complement. The United States Pacific fleet, based on Pearl Harbor 5,000 miles away, might temporarily or permanently shift units to the Far East or to the southern Pacific—granted there were no serious change in the situation in the Atlantic. (The recent good-will visit of 13 United States warships to Australia and New Zealand is not without implications.)

That the United States fleet might be based on Singapore in case of a Pacific war is regarded as a strong possibility. The great facilities of the Singapore base and its comparative nearness to Manila (1,500 miles) are important factors in view of the great distance of Pearl Harbor and the inadequacy of the United States naval bases in the Philippines. Cavite, south of Manila on the bay, could not service a powerful fleet; Olongapo, the naval station on Subic Bay 50 miles north of Manila, has a drydock capable of handling ships only up to 10,000 tons.(4)

Philippine Naval Program

To supplement the naval defense of the United States in the islands, the Philippine Commonwealth has little to offer. (The new government, starting from scratch, has had a little over five years to organize and get under way its modest program for national defense in preparation for 1946.) The European war has directly affected the islands' preparation, for English shipyards were to furnish Q-boats for the naval branch of the Philippine Army. Only two have been delivered of the 36 which were to comprise the off-shore patrol service. Since England is out of the picture as a source of further equipment of this type, the Commonwealth Government is now considering the possibility of building its own mosquito boats, one of which is under construction. Philippine materials can be used; only the engine, it is said, will have to be imported.(5) When one considers the 7,000 islands of the Philippine archipelago, the many bays, channels and seas that surround and separate the islands, it is apparent that a small fleet of mosquito boats, without the aid of larger equipment, would be hard pressed to cripple major naval units.(6)

Some 85 airports and landing fields of all classes have been developed throughout the islands, but air equipment has been slight. The air force of the Philippine Army consisted in 1936 of three primary training ships. This has now been increased to 40 to 60 planes, most of them trainers. The United States Army air force has in the past numbered only 40 to 60 planes, many of them obsolete; this was to have been increased to well over 100 planes with the addition of

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(4) By executive order effective in 90 days, President Roosevelt on March 24 established the Subic Bay Naval Defensive Sea Area, which includes the bay and the entrance channel within a specified area. Also the airspace over these waters and over the Subic Bay Naval Reservation, Olongapo, was set apart as a naval airspace reservation for purposes of national defense. Only naval and military ships and planes may operate in the restricted area, except by authorization of the Secretary of the Navy (New York *Times,* Mar. 25, 1941).

(5) *The Philippines Herald,* Jan. 16, 1941.

(6) For a fuller discussion of the strategic problems of the Philippines for both invading and defending forces, *cf.* Kiralfy, Alexander, "A Naval Base in the Pacific," *Asia,* Nov. 1939.

two pursuit squadrons before the end of 1940 and the transference of a number of the fighters originally ordered by Sweden. Also recently added to the air force were the 10 military planes which were at Manila en route to Thailand at the time of the Thai-Indochina incident in October for which export licenses were thereafter denied. In February it was announced that both army and navy fighting planes of the latest type were to be dispatched to the Pacific fleet to bring it to full strength. Although details were not released, it was reported that about 50 planes and 65 pilots were to be sent to the Philippines.(7) A recent request of the army air corps for half a million dollars from Congress to construct concrete runways at the Philippine base for the heavy bombers stationed there is likewise significant.

The most strongly fortified point in the Philippines is the United States establishment at Corregidor, the island commanding the entrance to Manila Bay. This is of vital importance, since the bay could easily accommodate the entire Pacific fleet if it sought refuge there. Corregidor, which is considered by military experts to be capable of long resistance, affords ample protection from sea attack for Manila and for the Cavite naval base. It is not known how much these fortifications have been strengthened recently. The other islands are without fortifications, but certainly an ambitious scheme of fortifying them would not have seemed entirely compatible with the avowed intent of the United States to grant freedom to the Filipinos whenever they were deemed ready for it. As for the possibility of the Commonwealth's providing defense of this kind, the cost of maintaining Corregidor alone is so great that one wonders how the Philippine Government will finance it, once the United States has turned over its military establishments to an independent Philippine state.(8)

Armed Forces in the Islands

If it were possible for an enemy to land troops at some point on Lingayen Gulf to the north, or on Lamon Bay on the eastern coast of Luzon, they would then have to meet the difficulties of unfamiliar terrain, swamps and poor roads, and would be faced with the armed forces of the islands. Close cooperation between the United States and Philippine Armies has been particularly noted of late, no important decision being made by the latter without the approval of the Commander of the Philippine Department of the United States Army. At present the numerical strength of the United States Army in the Philippines is probably about 10,000 men; 4,000 of them are American troops, the remainder Philippine Scouts in the pay of the United States Government. Arrivals in the last few months of officers and enlisted men from the United States have somewhat increased the number. On February 2 of this year the United States Army announced that it would take into its service in the Philippines 5,500 Philippine Army reservists for a year of additional training in the Philippine Scouts.

These men, with the exception of the new recruits, are hardened troops, all presumably well-equipped, with years of training behind them. They are augmented by the regular Philippine Army, numbering today 466 officers and 3,665 enlisted men, plus some 4,000 in the constabulary.(9) The reserve force, with some 132,000 men organized into about 13 tactical divisions,(9) is very poorly equipped, and the men have had only 5½ months of regular active training. Their familiarity with the territory and with guerrilla tactics (Americans who had to face Filipino guerrilla fighting in the first years of occupation testify to its effectiveness) partly outweighs some of the apparent deficiencies of the force.

The original plan was to train 40,000 new recruits each year so that the total reserve would number 400,000 by the middle of 1946. The annual falling off in the size of classes is attributed to the lack of trained officers and the inadequacy of the physical plant to take care of the number originally proposed. All colleges and universities are now organizing R.O.T.C. units; heretofore officers have been supplied by the Philippine Military Academy at Baguio and by reserve officers' service schools. Beginning January 6 of this year, the 8,000 fourth-year students in all high schools in the Philippines are undergoing military training under the direct supervision of the Philippine Army.

Obviously, the Commonwealth has only a skeleton defense force and one which could not, unaided, hold off a major attacking force for long. But, small as the Commonwealth defense effort is in these days of astronomical figures, it may safely be assumed that the United States is making more ample provision for the islands' protection in the present emergency than is commonly known.

Weaknesses in Philippine Defense

Apparent weaknesses are the deplorably small supply of arms and ammunition available for the Philippine reserves, the lack of adequate air defense, the concentration of fortifications and army camps in Luzon, the reserve forces scattered widely throughout all the islands, and difficulties of interisland communication and transport in case of hostile naval action in Philippine waters. Another major weakness in the entire Commonwealth system complicates the present problem. In spite of various blueprints intended to improve the islands' economy and increase their degree of self-sufficiency, actually very little has

(7) New York *Times,* Feb. 27, 1941.

(8) *Cf.* Smith, Robert Aura, *Our Future in Asia,* p. 141.

(9) *Cf.* footnote 3.

been done to ensure adequate supplies of necessities in case the country were cut off by blockade or by an acute shipping shortage. While vast tracts of land lie uncultivated, the annual rice harvest is still insufficient to meet the population's needs. The government has under consideration irrigation projects to insure some of the rice lands against recurrent drought; it has also been endeavoring, through a program of education and seed distribution, to encourage farmers to plant short-term and hardier food crops. The reliance of the country upon imports of foods which could be grown in the islands, of fish which abound in Philippine waters, of fruits which could be raised in many sections, is still a serious problem and one which becomes urgent as the Far Eastern situation deteriorates.

Another great handicap which the Philippines faces is that of supplying its forces with munitions and machinery of war. There is no domestic heavy industry, although there is an abundance of iron ore in the islands, and copper, manganese and chromite are being mined in increasingly large quantities. There are no munitions works. The government textile plants, with those of the Japanese and the many home textile industries, would not go far toward supplying the civilian or army population with clothing if foreign imports were cut off. For coal and oil the islands are almost entirely dependent upon imports; development of water power is only in its initial stages.

Aliens in the Philippines

Worthy of mention, perhaps, are the various alien groups in the islands (*cf. Far Eastern Survey,* Aug. 28, 1940). The Japanese, about whom much has been written in these pages, have occasioned little actual trouble, in spite of their questionable land leases and lumbering and fishing activities. The new Philippine immigration act of last year provoked strong protest on the part of Japanese authorities in Manila and Tokyo (*cf. Far Eastern Survey,* May 8, 1940, p. 120), but Washington's support of the Manila legislation quieted the protest for the time at least. Movements of Japanese and other aliens have, however, been kept under strict surveillance.

Mindanao attracts its share of attention as the largest island in the archipelago, yet lacking naval stations and fortifications. This is the island where the largest Japanese colony in the Philippines (nearly 18,000 by the 1939 census) is concentrated, in the southeastern province of Davao. Mindanao and Sulu are the stronghold of the Philippine Moros, numbering nearly 700,000 throughout the islands. It is true that they make up less than 5% of the total population of the Commonwealth but they account for over one third of the population of Mindanao and Sulu.

The question has been raised in recent years whether these people, who were never conquered by Spain, who put up a long fight against the Americans, and who have never fully accepted the rule of the Christian Filipinos, might not become a tool of the Japanese. Recent dispatches from Manila report a new outbreak of trouble between the Moros and the Philippine constabulary, and hints of machinations of "Japanese agents" are dragged into the story.(10) During the years there has been little evidence of strong Japanese influence among the Moros, who professed a great liking for the Americans when they were finally subdued by them. But the present situation in these isolated isles is not likely to be overlooked by the various departments responsible for the Commonwealth's defense.

The Spanish Influence

It was necessary for the American High Commissioner to issue a warning against activities by foreign consuls in the islands in October 1940, largely because of alleged increased propaganda on the part of the Falangista, Spain's legal political party, which is advocating closer cooperation with the Axis powers in those countries with Spanish tradition.(11) The potential influence of the Spanish group in the Philippines should not be ignored merely because of the small number of Spanish nationals (4,567). The effects of over three centuries of Spanish rule in the islands have not been entirely effaced by four decades of American government. Closer relations between Spain and the Axis powers, and the consequent spread of totalitarian doctrines to areas where there is already a nucleus of Spanish influence, suggest a complication in the survival and development of democratic principles in the emerging Philippine state. This facet of the problem is usually overlooked by those who see in Japan the sole threat to the Philippines.

In general, however, the small foreign groups resident in the Commonwealth have not presented much of a problem thus far. Moreover, the morale and attitude of the rank and file of the Filipinos themselves have been above question. It is not surprising that some voices have been raised about the cloak of democracy that is being thrown about powers like Great Britain and the Netherlands, with their great colonial areas in Asia. It is natural that thoughtful Filipinos, like thoughtful people everywhere, should begin to ask what their stake is in the present conflict. One of their leading citizens has given his answer. Carlos P. Romulo, publisher of a chain of newspapers in the Philippines, writing on the Far Eastern crisis in February, concluded in these words:

In casting our lot completely and unreservedly on the side of the American nation, we shall lend our strength to the preservation of liberty—the same lib-

(10) New York *Times,* Mar. 19, 1941.
(11) New York *Herald Tribune,* Oct. 21, 1940.

erty that the United States has vouchsafed to us in the most remarkable compact concluded between a sovereign power and a subject nation in modern times. In this sense, therefore, the cause of Britain, the cause of free France, the cause of the Chinese people, and the cause of the United States, is our cause. Their cause is our cause because in the large principles of democracy for which they are fighting are involved the principles of liberty and equality which apply particularly to our case as a subject people moving towards independence.

Japan's Industrial Output Slackens

Analysis of recently published Japanese factory statistics reveals a number of trends which are significant in any estimate of Japan's military strength in wars present or impending. Incomplete figures for 1940 indicate that production last year failed to show an increase; that, in fact, output in all branches except metals and machinery was below the prewar level. Even in metals and machinery—the principal war industries—the volume of production, which had hitherto been rising steadily, showed signs of stagnation. This slowing down of production reflected a steady fall in the productivity of labor.

This is not at once apparent from published figures. First let us examine the official factory statistics, which are available only through 1939.

	1936	*1937*	*1938*	*1939*
Number of enterprises	90,602	106,005	112,332	137,422
Number of persons employed (thousands)..	2,592.7	2,936.5	3,217.7	3,766.7
Gross value of production (million yen)....	12,258	16,356	19,667	24,360
Hours worked by employees (millions)....	7,693	8,750	9,706	11,317
Wages and salaries paid (million yen)....	971.8	1,152.3	1,442.0	1,927.3

Source: *Tokei Geppo* (*Statistical Monthly*). These data relate only to private enterprises with more than five workers, or with prime movers. Figures on the value of materials consumed—which make it possible to calculate the net as distinct from the gross value of production—are not available for 1939. Through 1938, the trend in net value closely paralleled that in gross value.

This table shows that between 1936 and 1939 the number of industrial enterprises increased by 52%, the number of employees by 45%, the gross value of production by 99%, the number of hours worked by 40% and wage payments by 98%. All this suggests a rapid growth of industry. Detailed analysis, however, does not substantiate this picture.

Closer examination of these figures reveals some interesting details. The average number of workers per enterprise declined slightly, from 28.6 in 1936 to 27.4 in 1939. This decrease is due chiefly to the appearance of many new enterprises with less than the average number of workers. But, of course, the average conceals the changes in various branches of industry. Metals and machine building show a rise in the average number of workers per enterprise, while others such as textiles and chemicals show a decrease. The number of work hours increased in almost the same proportion as the number of workers; there was, therefore, no great increase in the average number of hours per worker, and this is true for the various branches as well.

It will be noted that the gross value of production has doubled although the number of hours worked has risen only 40%. Gross value of production is not, however, an acceptable index. For one thing, the growth of factory industry was accompanied by a decline of small-scale enterprises, due to difficulties of supply and other causes. This is not reflected in the factory statistics, which cover only enterprises employing more than five workers, and no statistical data on handicraft industry are available. In the second place, figures on value of output are inflated because of the rapid rise in prices; the official index of wholesale prices rose 52% between 1936 and 1939. Expressed in 1936 prices, gross value of production in 1939 was only 16 billion yen instead of 24 billion; in other words, the increase in three years was only 31% instead of 99%, and it is probable that the official index understates the actual price rise. In the third place, the prices of metal goods and machinery, which have increased their share in total output, rose much more rapidly than the average level of prices.

We have, however, the *Oriental Economist*'s index of the physical volume of production. Let us compare its movement with the growth in the number of industrial workers.

	1936	*1937*	*1938*	*1939*	*August*(b) *1940*
A. Index of number of workers(a)	100	113	124	145	149
B. Index of volume of production(c)	100	112.4	116.3	121.4	120.0
C. Index of labor productivity(B/A)	100	99	94	84	81

(a) Calculated from factory statistics given above, except for August 1940, which is an estimate based on the Bank of Japan's index of employment, assuming that the two indices moved upward at the same rate.
(b) Adjusted for seasonal variation.
(c) *Oriental Economist.*

The second line of this table shows that in spite of the tremendous rise in the gross value of industrial production since 1936, the physical volume of output had increased by only 21.4% through 1939, and in August 1940 was below the average level of 1939. Production began to fall in September 1939, although the increase in the number of workers continued. Evidently the productivity of labor had declined sharply; the figures in line C indicate a fall of nearly 20% as compared with 1936. An increase of 49% in the number of workers had been able to raise production by only 20%, and if one takes into consideration the serious deterioration in quality reported from all quarters, even this increase appears doubtful.