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Lucrative Black Marketeers in Rural Japan:  
The Illicit Entrepreneurial Tobacco Business in the Late 1940s

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# Lucrative Black Marketeers in Rural Japan: The Illicit Entrepreneurial Tobacco Business in the Late 1940s<sup>\*</sup>

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## Abstract

This study explores the entire process of black-market tobacco from the production of raw materials to the distribution of products in Japan to examine the mechanism leading the black market to serve two functions: ensuring the security of lives and providing an essential outlet for entrepreneurial creativity. As the defeated countries of the Second World War were severely ravaged by famine, they deepened their reliance on the black market until the end of the 1940s. Japan also faced the same major challenges to its survival as Germany and Italy. By analyzing the authority's handwritten inspection reports, this study reveals the black market's growth mechanism. The black market had a division of labor structure, and the specialization promoted the market growth by reducing technical and financial barriers to newcomers and securing the participants' profit. Although the authorities strictly cracked down on illegal actions, their measures ironically helped the black marketeers' business to become more lucrative.

**Keywords:** black market, tobacco, division of labor, entrepreneurial creativity, Japan

**JEL classification codes:** N85, K42, N55

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## 1. Introduction

In April 1948, a woman in Isawa, a farming village in Yamanashi Prefecture, Japan, was arrested for illegally dealing with cigarettes. She and her relatives were involved in producing and trading tens of thousands of cigarettes without permission (SGUL 1948). This incident illustrates that, even in a small rural town, all family members struggled to survive after Japan's defeat in the Second World War and became black marketeers to earn a living. As previous studies have focused on distributions of black-market goods in major cities, they provide little explanation of how black marketeers outside cities secured their profits.

Black markets were a global phenomenon during and after World War II. European historians have shown how wartime rationing in Europe led to the development of black markets in the UK, France, Germany, and Italy (Roodhouse 2013; Moure 2010; Steege 2007; Zierenberg 2015; Calussi and Salvador 2018). Recent research has broadened the scope of these illicit economies by including other European countries, such as Greece and the Netherlands (Hionidou 2010; Zwarte 2020). Black market activity increased during the final stages of the war and they continued to thrive in Europe as people were forced to rely on the black market to survive the chaotic economic conditions in postwar Europe.

The Japanese economy followed a similar pattern in the 1940s. Japanese scholars who have studied Japan's postwar black market have mostly focused on the rise and fall of open-air black markets in urban areas. Matsudaira Makoto—one of the first Japanese scholars to write about the postwar black market—published two ground-breaking studies on black markets in Tokyo in 1985 and 1995 (Matsudaira 1985; 1995). In 1996, Tanaka Harumi published an article about the black market in Kyoto—another major metropolitan area in Japan (Tanaka 1996). The number of scholarly books and articles about the postwar black market increased substantially since 2010. These more recent works have also dealt mainly with urban black markets in Tokyo and Kobe (Hatsuda 2022; Ishigure 2016; Murakami 2018). Black market activity in rural areas and the connection between urban and rural black markets are topics that scholars have largely overlooked in the above-mentioned studies.

These previous studies suggest that urban black markets played an important role in the daily lives of Japanese citizens and that the underground economy in urban areas was a major part of Japan's postwar economy. However, the rural economy during the 1940s was also crucial. During the final stages of the war, rural areas became more

significant in the Japanese economy as the population in large cities declined. Large numbers of urban residents fled to the countryside in order to escape the US military's air raids against major Japanese cities for two years starting from 1944. Consequently, from 1940 to 1947, the population of the Tokyo metropolitan area and Osaka City declined by 38 percent and 52 percent, respectively, while Japan's total population increased by 7 percent (Cabinet Statistics Bureau 1941: 1, 4; Prime Minister's Office, Statistics Bureau 1948: 3, 35, 72). Black-market trading was widespread across Japanese cities in the 1940s, and police struggled to crack down on the circulation of black-market goods (Aldous 1997: 69–73). There was a difference in the structure of the black market between large cities and rural areas. Rural areas supplied black-market goods—especially agricultural commodities—while large cities served as marketplaces for illicitly selling goods from rural areas and occupied troops (Cohen 1949: 462; Solis 2024: 68–81). Therefore, the analysis of rural black markets requires shedding light on the production and trading processes of black-market goods. However, the conventional method used in the existing literature is insufficient for analyzing rural black markets.

Because black marketeers were involved in illicit activities, they naturally avoided leaving a written record of their illegal business transactions. Hence, there are very few historical records of black marketeers, with some exceptions, such as consumers' diaries, which Sambuco (2024) explores. In response to the limitations of historical documents, previous studies frequently relied on official documents and published materials, whereas the Allied Powers forbade publishers from reporting on the black market (Etou 1994: 241). During the occupation period, the Allied Powers censored the press, and the Japanese media limitedly reported the eye-catching cases in the large cities. The historians consider the press restrictions in occupied Japan and have developed new methodologies; Solis (2024) uses the Pacific Edition of the *Stars and Stripes*—an American military newspaper that was published in Japan but not subject to the same censorship restrictions as Japanese newspapers. Matsudaira (1985) and Murakami (2018) used interviews in their research. In contrast, this study uses the handwritten inspection reports recorded by the Monopoly Bureau (MB: Senbaikyoku 専売局).

In 1904, during the Russo-Japanese War, Japan inaugurated the Tobacco Monopoly System to raise its fiscal revenue (Japan Tobacco and Salt Public Corporation 1953b: 4). The MB purchased all tobacco leaves harvested in Japan and manufactured cigarettes in its own factories. It sold cigarettes at prices that generated government revenue. The MB transferred its profits to the government, equaling about 10 percent of

general revenue (Fujimoto 1990: 126–29). Therefore, the Tobacco Monopoly System was vital in procuring government funds. To secure its revenue, the MB cracked down on the illicit production and trading of tobacco leaves and cigarettes. Its inspection reports detail each case of illicit activity in the black market for tobacco leaves and cigarettes in the late 1940s. This study, using the MB's inspection reports, focuses on the black market of tobacco leaves and cigarettes in Yamanashi Prefecture, a rural area about 100 kilometers (60 miles) away from the heart of Tokyo.

Cigarettes were one of the most circulated goods in the black market around the globe, and Japan's rural areas actively engaged in the production and trade of tobacco leaves and cigarettes during the 1940s. Accordingly, by examining Yamanashi Prefecture's cases, this study explores the entire process from tobacco leaf production to cigarette trading to examine the mechanisms that led black markets to serve two functions: ensuring the security of lives and providing an essential outlet for entrepreneurial creativity. As the defeated Japan emerged as an economic powerhouse after the 1960s, its black market was the origin and base of Japan's economic recovery. Therefore, this study provides important insights into one of the premises of Japan's spectacular economic growth.

The remainder of this paper consists of four sections. The second section illustrates the supply and demand for cigarettes from World War II to the beginning of the 1950s. The following section examines crime statistics to assess changes in the black market of tobacco leaves and cigarettes. As Tagliacozzo (2007) and Solis (2024) note, government records of smuggling generally fail to capture the crime wave of black markets. Accordingly, the third section examines the accuracy of statistics on Japan's black market. The fourth section analyzes the MB's inspection reports on the black market of tobacco leaves and cigarettes in Yamanashi Prefecture to demonstrate the flow of products there. The final section provides conclusions.

## **2. Depletion of Cigarette Supply**

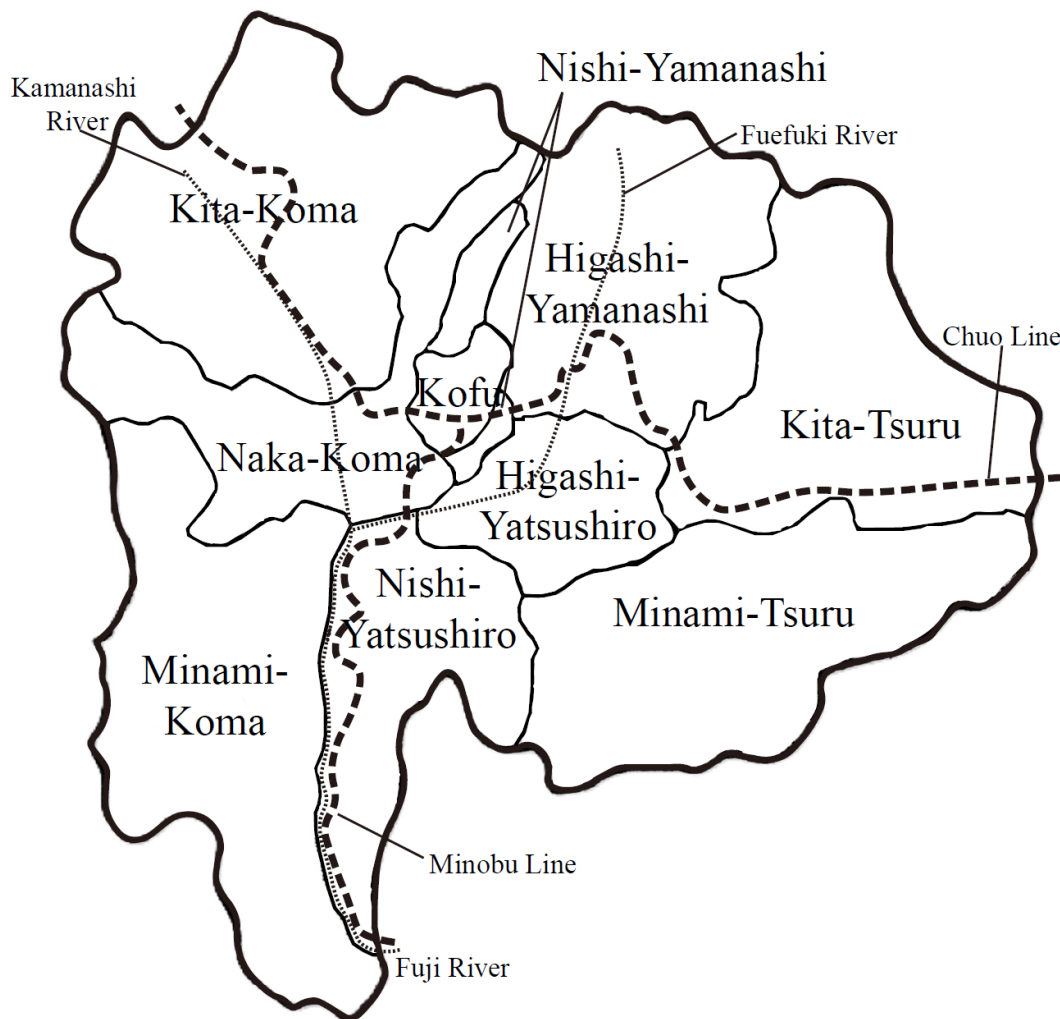
Japan opened the Second Sino-Japanese War in July 1937 and the Pacific War in December 1941. The US had carried out air raids, razing infrastructure and buildings, on sixty-six Japanese cities since 1944 (Yellen 2025: 95–98). Japan succumbed in August 1945, and the occupation forces established the Supreme Commander for the Allied Powers (SCAP) to indirectly rule Japan through the Japanese government, which lost its sovereignty until the Treaty of San Francisco in 1951 (Tipton 2016: 166–75). In

September 1948, SCAP ordered the Japanese government to reorganize the MB into a public corporation similar to the Tennessee Valley Authority (Japan Tobacco and Salt Public Corporation 1959b: 25–26, 44). Following the SCAP's order, the Japanese government abolished the MB and instituted Japan Tobacco and Salt Public Corporation (Nippon Senbai Kōsha 日本専売公社) in June 1949 (Japan Tobacco and Salt Public Corporation 1951a: 6). These authorities combated the underground dealings of tobacco leaves and cigarettes during the wartime and occupied periods.

After the annual cigarette sales volume per capita reached 777 pieces in 1942, it decreased as Japan's war situation deteriorated (see fig. A. 1). From 1944 to the following year, air raids destroyed the MB's cigarette factories. In tandem with these predicaments, farmers converted their crops from tobacco to grain and potatoes to alleviate the food shortages (Otsuki 1963: 11). Japan's production of tobacco leaves swiftly shrank from 84 thousand tons in 1943 to 28 thousand tons in 1946 (see fig. A. 2). The rapid decrease of tobacco leaves embarrassed the MB because domestic tobacco leaves continuously held over 90 percent of the MB's purchased leaves from the 1920s. After Japan disrupted international relations by allying with Germany in 1937, it reduced the import volume of tobacco leaves to save foreign currency (Japan Tobacco and Salt Public Corporation 1964b: 472; fig. A. 3). As Japan could not import tobacco leaves to fill the deficiency, the sharp contraction in tobacco leaf production led to a decline in the annual cigarette sales volume per capita, decreasing from 775 pieces in 1943 to 207 pieces in 1946 (see fig. A. 1). Japan faced a chronic shortage of cigarettes after the last stages of the war.

The production volume of tobacco leaves bottomed out in 1946, and the MB also reconstructed its production capacity. Consequently, the annual growth rate of cigarette sales volume per capita reached 23 percent from 1946 to 1954. In 1950, the cigarette sales volume per capita surpassed the level in 1943, when it peaked before the war ended (see figs A. 1 and A. 2). Paradoxically, these facts explain that Japan suffered from a shortage of cigarettes until 1949. Hence, the illicit production and trade of tobacco leaves and cigarettes increased in the late 1940s. During the same period, Yamanashi Prefecture was just a tiny production area.

Yamanashi Prefecture is located on the Japanese main island (Honshu Island), and mountains surround it (see maps A. 1 and A. 2). Map 1 shows the location of Kofu City, the prefectural capital, and the counties in Yamanashi Prefecture.



**Map 1** Kofu City and counties in Yamanashi Prefecture, 1950

*Source:* Yamanashi Prefectural Government 1952: map 1.

Kofu City is geographically located in the center of the prefecture and has Kofu Station, the most prosperous station in the prefecture. Kofu Station is on the Chuo Line, connecting to Tokyo Station, and the Minobu Line, which runs along the Fuji River to Shizuoka Prefecture (see map 1). Yamanashi Prefecture has been directly linked to Tokyo and has supplied farm commodities to neighboring major cities. Tobacco leaves also had been one of the prefecture's representative crops since the sixteenth century (Sawanobori 1936: 164, 223). However, the MB prohibited Yamanashi Prefecture from cultivating tobacco leaves in 1916 (Japan Tobacco and Salt Public Corporation, Kofu Branch Office 1956: 1).

Before the MB's prohibition, the farmers had already replaced their tobacco leaf

fields with mulberry leaf fields to supply silkworm feed. Yamanashi Prefecture was the major production area of silken threads, which were Japan's largest export commodity before the Great Depression in 1929 (Suzuki 1928: 16). Consequently, in Yamanashi Prefecture, 73 percent of farm households doubled as silkworm breeders in 1938, and the mulberry field accounted for 69 percent of dry-field in 1941 (Yamanashi Prefectural Government 1942: 90–91, 122). Accordingly, the MB concluded that tobacco leaf cultivation in Yamanashi Prefecture had no chance of further advancement in 1916 (Ministry of Finance, Monopoly Bureau 1918: 6).

In response to the scarcity of tobacco leaves after the late 1930s, Yamanashi Prefecture resumed tobacco leaf cultivation in 1940 and harvested 1.7 tons, equaling less than 0.1 percent of Japan's total yield in the following year. (Japan Tobacco and Salt Public Corporation, Kofu Branch Office 1956: 1; Ministry of Finance, Monopoly Bureau 1942: 18, 1943: 18). After the war ended, although the prefecture expanded its production scale, its share was only 0.2 percent in Japan (Japan Tobacco and Salt Public Corporation 1950: 18). Therefore, Yamanashi Prefecture was just a tiny production area of tobacco leaves. Nevertheless, the illicit cultivation of tobacco leaves and illegal cigarette sales were a major part of the prefecture's economy in the late 1940s (Japan Tobacco and Salt Public Corporation 1988: 85). The following section explores the trend of crime against the Tobacco Monopoly System after World War II.

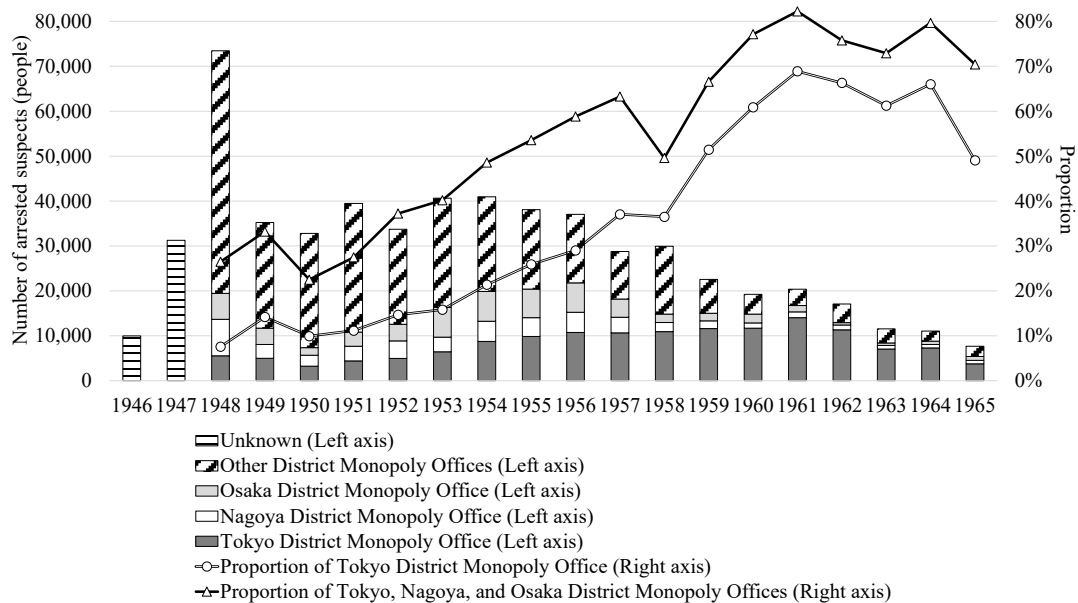
### **3. Violation of the Tobacco Monopoly System after WWII**

#### *3.1. Pseudo Crime Wave in 1948*

As Solis (2024) details, Japanese crime statistics fail to accurately capture the crime wave immediately after World War II due to severe social turmoil and a decline in law enforcement capacity under SCAP's tight restrictions. To address this limitation of the historical record, this subsection examines changes in official and black-market cigarette prices, which strongly influenced the black-market cigarette price trend.

After the war ended, cigarettes had a rarity value and acted as proxy currency because they were non-perishable goods. The holders could exchange cigarettes for food on black markets. Hence, everyone from ordinary people, including widows and their children, to the military personnel of the occupation forces, owing no obligation to pay customs duty, participated in cigarette black markets (Japan Tobacco and Salt Public Corporation 1988: 35; Solis 2024: 66–102). In response to the turmoil, the Japanese government demanded crackdowns on illicit cigarette distribution to secure funds for





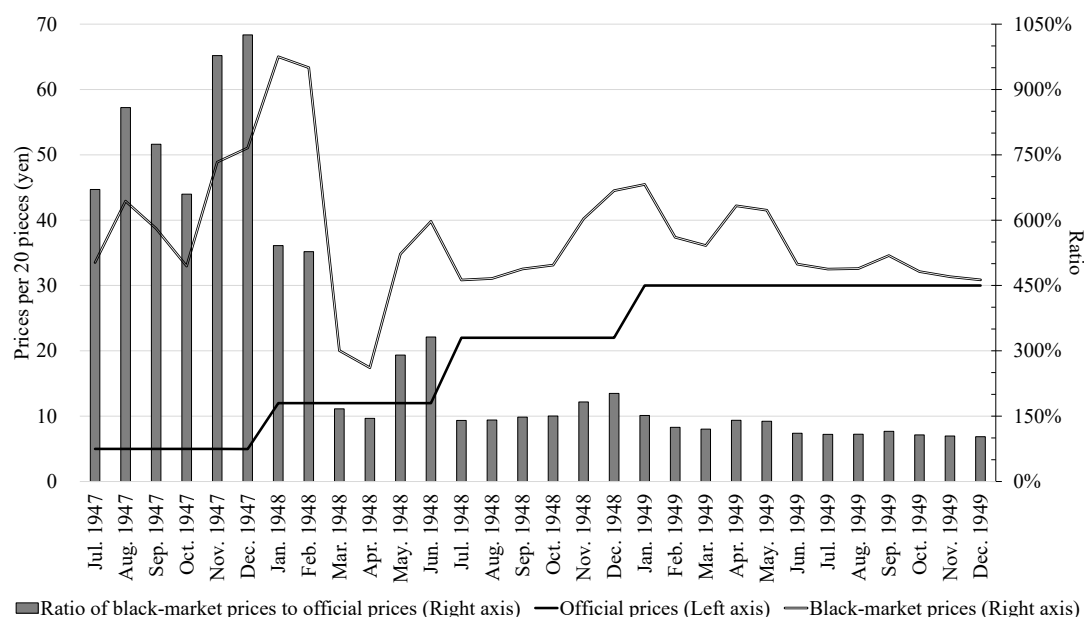
**Fig. 1** Number of arrested suspects violating the Tobacco Monopoly Law, 1946–65

*Note:* Data on the number of criminals arrested by district monopoly offices until 1947 is missing.

*Sources:* Japan Tobacco and Salt Public Corporation 1950: 162–63, 1951b: 164–65, 1952: 152–53, 1953a: 160–61, 1954: 170–71, 1955: 188–89, 1956a: 214–15, 1956b: 212–13, 1958: 216–17, 1959a: 214–15, 1960: 210–11, 1961: 202–03, 1962: 196–97, 1963: 186–87, 1964a: 190–91, 1965a: 192–93, 1965b: 202–03, 1966: 194–95.

postwar reconstruction, whereas the MB acquiesced to most suspects until 1947 due to its scarcity of human resources (Japan Tobacco and Salt Public Corporation 1964c: 416). Accordingly, in February 1948, the MB organized the Inspection Department in each of the sixteen District Monopoly Offices (DMO: Chihō Senbaikyoku 地方専売局).<sup>1</sup> This measure sharply augmented the number of inspectors from 400 to 1,390 (Japan Tobacco and Salt Public Corporation 1988: 24–25). Fig. 1 demonstrates the number of arrested suspects trading and producing tobacco leaves and cigarettes from 1946 to 1965.

The number of arrested suspects surged in 1948. However, the unlawful situation, as demonstrated by the data after 1948, might have continued since the end of the war. The official and black-market prices of cigarettes justify our ratiocination as follows. As mentioned in the previous section, Japan suffered from chronic shortages of tobacco leaves and cigarettes in the late 1940s. The shortages raised illegal cigarette prices, causing the expansion of black markets. Fig. 2 indicates official and black-market retail



**Fig. 2** Official and black-market retail prices of cigarettes, Kinshi, July 1947–December 1949

*Sources:* Prime Minister’s Office, Statistics Bureau 1949: 15–16, 1950a: 22–25, 1950b: 20–23.

prices of Kinshi (金鷄). Kinshi was a low-quality cigarette made of genuine tobacco leaves and substitutes: *Hydrangea involucrata* and *Fallopia japonica* (Japan Tobacco and Salt Public Corporation 1964b: 582).

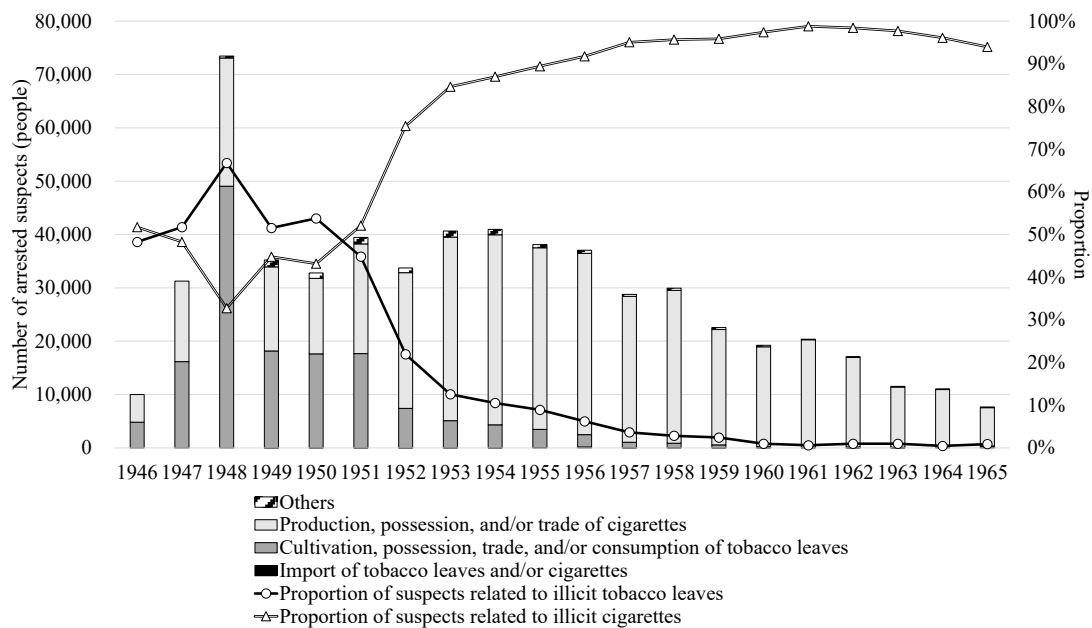
The black-market retail prices of Kinshi were over six times higher than the official retail prices in 1947. Even official prices until 1951 were higher than before the war ended. The MB gradually raised the nominal official prices to secure war funds after the outbreak of the Second Sino-Japanese War in 1937, and the real official prices of middle-quality cigarettes per 20 pieces increased to about 24 yen in 1943 (see fig. A. 4). After the end of the war, the government suffered from a decrease in its real tax revenue, resulting from a hyperinflation which boosted Japan’s price level about ninety times between 1944 and 1949 (Bank of Japan, Research and Statistics Department 1987: 25). In response to the reduction of revenue, the MB excessively raised the nominal official prices (Japan Tobacco and Salt Public Corporation 1964c: 184–207). Consequently, the real official prices exceeded 100 yen in 1947. The trend in the real official prices changed in 1948. Hyperinflation depressed the real official prices to less than 50 yen, whereas the MB gradually raised the nominal official prices from 1948 to 1949 (see fig. A. 4). In tandem with the alteration in the real price trend, the MB’s capacity for cigarette

production recovered from the war damage (see fig. A. 1). This measure suppressed black-market prices, bringing them closer to official prices after 1948 (see fig. 2). Nevertheless, the official real prices remained above their 1943 level until 1951. The MB reduced the nominal official prices twice from 1950 to the following year, and the real official prices decreased to about 20 yen in 1951 (see fig. A. 4). This fact means that the real official retail prices from the end of the war to 1951 were relatively higher than those in the early 1940s.

The movement of cigarette prices was a primary factor in the explosive growth of the illicit cigarette trade during the same period. Accordingly, we can infer that the number of participants in black markets of tobacco leaves and cigarettes remained high, at least at the same level as in 1948, from the end of the war to 1947 (see fig. 1). The number of arrested suspects shown in the MB's statistics does not necessarily reflect the reality of the black market. The MB's statistics just indicate an enforcement wave. In 1948, the MB laid out the surveillance system and suppressed the black markets of tobacco leaves and cigarettes. Based on these facts, the following subsection analyzes the crimes after 1948.

### *3.2. Trend of Crimes against the Tobacco Monopoly Law*

Fig. 3 illustrates the number of arrested suspects from 1946 to 1965. Until the beginning of the 1950s, the number of suspects illicitly related to tobacco leaves and cigarettes simultaneously persisted at a high level. As the MB's supply of cigarettes was insufficient, smokers illegally procured and consumed tobacco leaves. By the beginning of the 1950s, the number of suspects involved in cigarette cases rose further. By contrast, the number of suspects drifting into illicit tobacco leaves suddenly decreased. The proportion of suspects related to illicit cigarettes increased alongside the rise in suspects in major cities. According to fig. 1, the shares of the Tokyo, Nagoya, and Osaka DMOs that had jurisdiction over major cities to the total number of arrested suspects continuously rose after the beginning of the 1950s (see map A. 1). Accordingly, to explore these alterations in the crimes, we focus on the crime cases within the jurisdictions of the Mito DMO in the rural area and the Tokyo DMO in the major city.



**Fig. 3** Number of arrested suspects violating the Tobacco Monopoly Law, 1946–65

Source: See fig. 1.

Mito and Tokyo Cities are about 100 kilometers (60 miles) apart from each other (see map A. 1). The Mito DMO only had jurisdiction over Ibaraki Prefecture, whose share of Japan's tobacco leaf harvest volume by the DMO was the largest, 11 percent, from 1949 to 1960.<sup>2</sup> Its criminal statistics demonstrate crime trends in the tobacco leaf production area. In contrast, the Tokyo DMO, which had jurisdiction over Kanagawa, Saitama, Chiba, Yamanashi Prefectures, and Tokyo Metropolis, was the most significant urban DMO, selling the largest cigarette volume in all DMOs (Japan Tobacco and Salt Public Corporation 1950: 203).<sup>3</sup> Hence, the Tokyo DMO's criminal statistics show crime trends in the area of cigarette consumption.

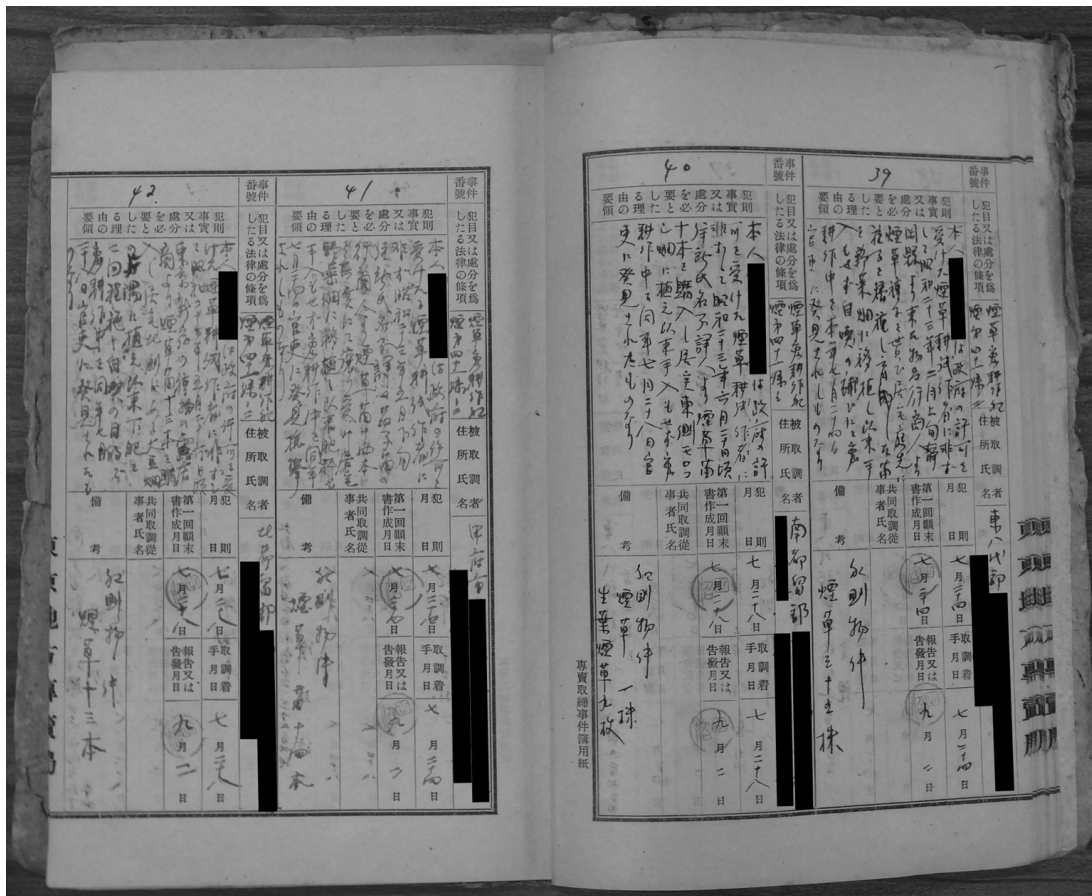
Within the Mito DMO's jurisdiction, whereas suspects dealt with both illegal tobacco leaves and cigarettes, most of them committed cultivations, possessions, trades, and/or consumptions of tobacco leaves by the beginning of the 1950s (see fig. A. 5). The number of suspects drifting into illicit tobacco leaves rose from 1,933 in 1948 to 3,508 in 1951 (see fig. A. 5). However, in the 1950s, the suspects of illicit cigarettes increased, while that of tobacco leaves declined, leading the decrease in the total number of suspects. This crime trend differed from the city area. The suspects within the Tokyo DMO's jurisdiction produced and traded illicit cigarettes.

Even the cities illegally cultivated tobacco leaves by the end of the 1940s, and about half of the suspects drifted into cultivations, possessions, trades, and/or consumptions of tobacco leaves (see fig. A. 6). However, the number of suspects related to illicit cigarettes surged from 2,885 in 1950 to 10,715 in 1956, and its share nearly reached 100 percent after 1953. The total number of suspects remained constant until the beginning of the 1960s. The surge in the unlawful activity of illicit cigarettes resulted from the expansion of cigarette supply sources.

Until the end of the 1940s, Japanese black marketeers procured domestic tobacco leaves and manufactured cigarettes. Accordingly, the MB strictly cracked down on illicit tobacco leaf production after 1948 (Japan Tobacco and Salt Public Corporation 1953a: 13). Nevertheless, even after 1948, US military personnel in Japan continued to supply illicit cigarettes. During the 1950s, the number of suspects involved in illicit tobacco trades rapidly increased in cities with US military bases (Japan Tobacco and Salt Public Corporation 1954: 15).

The key military sites, such as the Yokota Air Base and the Navy Base at Yokosuka, were located in Tokyo Metropolis and Kanagawa Prefecture within the Tokyo DMO's area. Post Exchanges (PXs) in US military bases sold American cigarettes at a price 70 percent cheaper than the cigarettes officially imported by the MB (Japan Tobacco and Salt Public Corporation 1988: 328–29). Accordingly, US military personnel secretly sold American cigarettes to Japanese black marketeers and profited from the price difference. After the outbreak of the Korean War in 1950, the number of US military personnel visiting Japan skyrocketed, and the circulation of illicit American cigarettes expanded (Solis 2024: 99). However, the Japanese police and MB failed to eliminate the supply source of illicit American cigarettes because they had no authority to arrest the American suspects by 1957 (Japan Tobacco and Salt Public Corporation 1988: 337). Consequently, the number of suspects continued to increase in the Tokyo DMO's area after 1950 (see fig. A. 6).

This subsection asserts that the Japanese black marketeers in rural areas illegally cultivated and traded tobacco leaves until the beginning of the 1950s, while the illicit trade of American cigarettes flourished in major cities during the 1950s. Accordingly, the following section focuses on Yamanashi Prefecture to explore the involvement of the Japanese black marketeers in the late 1940s.



**Fig. 4** Reports of the Kofu monopoly branch office's inspector

*Note:* The suspects' addresses and names are redacted in accordance with the Seinan Gakuin University Library's rules.

*Source:* SGUL 1948.

## 4. Self-sufficient Illicit Cigarette in Rural Areas

### 4.1. Inspection Reports in Yamanashi Prefecture

The Kofu monopoly branch (Kofu Senbai Shikyoku 甲府専売支局) had jurisdiction over Yamanashi Prefecture, a part of the Tokyo DMO's area. It produced records of its criminal investigations that the Seinan Gakuin University Library currently holds. Fig. 4 shows a double-pages of a report from that record collection.

The inspection reports contained ten files recording sensitive personal information from 1946 to 1948. Accordingly, we obtained special permission from Seinan Gakuin University to use these historical materials, on the condition that we withhold the arrested suspects' addresses and names. The reports show 516 suspects: nineteen in fiscal

year (FY) 1946, eighteen in FY 1947, 471 in FY 1948, and eight in unknown FYs.<sup>4</sup> They mainly record arrested suspects in FY 1948, whereas the Kofu branch charged 652 suspects in the same FY (Japan Tobacco and Salt Public Corporation, Kanto Branch 1980: 73). Therefore, the reports do not cover all cases and show that 72 percent of arrested suspects were recorded in FY 1948.

The Kofu branch had only four chief inspectors, investigating 542 suspects. This number exceeds the number of suspects shown in the reports because more than two inspectors occasionally interviewed suspects in serious crime cases. The inspectors had insufficient time to investigate crimes since the branch faced a shortfall of inspectors. They performed many tasks quickly and wrote only a few short sentences about the details of the violating acts in the reports (see fig. 4). We can analyze only the summary of each crime in the reports. Accordingly, we summarize the reports' contents statistically and examine our aggregated data in the following subsections.

#### *4.2. Trade of Tobacco Seeds and Seedlings*

We count the number of crimes rather than the number of suspects because some cases involved one suspect committing more than two crimes. The reports record 796 crimes in Yamanashi Prefecture from FY 1946 to FY 1948, with the majority occurring in FY 1948, and 629 cases related to tobacco leaves. Crimes involving tobacco leaves held 79 percent of all crimes, while the number of crimes involving cigarettes was only 135, equaling just 17 percent. Therefore, Yamanashi Prefecture had a crime trend similar to that of the Mito DMO's area.

The crime rate of tobacco leaves per thousand people was high in the five counties: Nishi-Yamanashi, Higashi-Yatsushiro, Nishi-Yatsushiro, Minami-Koma, and Naka-Koma Counties (see map 1 and table A. 1). These five counties are divided into two groups. The first group, including Nishi-Yatsushiro and Minami-Koma Counties, is in the southern area of Yamanashi Prefecture and along the Minobu Line. The second group, comprising the other counties, is in the prefecture's central area, adjacent to Kofu City. There was a difference in the illicit suppliers of tobacco seeds and seedlings between the two groups.

The inspection reports have many records that provide no information on suppliers of tobacco seeds and seedlings. The inspectors had less time to investigate supply channels due to insufficient staff. Nevertheless, the inspectors explained that, in some cases, suppliers (see table A. 2). According to these scarce records, the suspects in

the first group frequently traded with street peddlers and itinerant merchants from Shizuoka Prefecture. The reports record the residence addresses of fourteen merchants trading with the arrested suspects in the first group and indicate thirteen suppliers from Shizuoka Prefecture. The southern area of Yamanashi Prefecture has had deep economic ties with Shizuoka Prefecture through the Fuji River since the premodern period (Minami-Koma County 1922: 7; map 1). In 1928, the Minobu Line, running along the river, was opened from Fuji Station in Shizuoka Prefecture to Kofu Station (Fuji Minobu Railway Company 1928: 1–3). It replaced river traffic and transported freight between the prefectures.

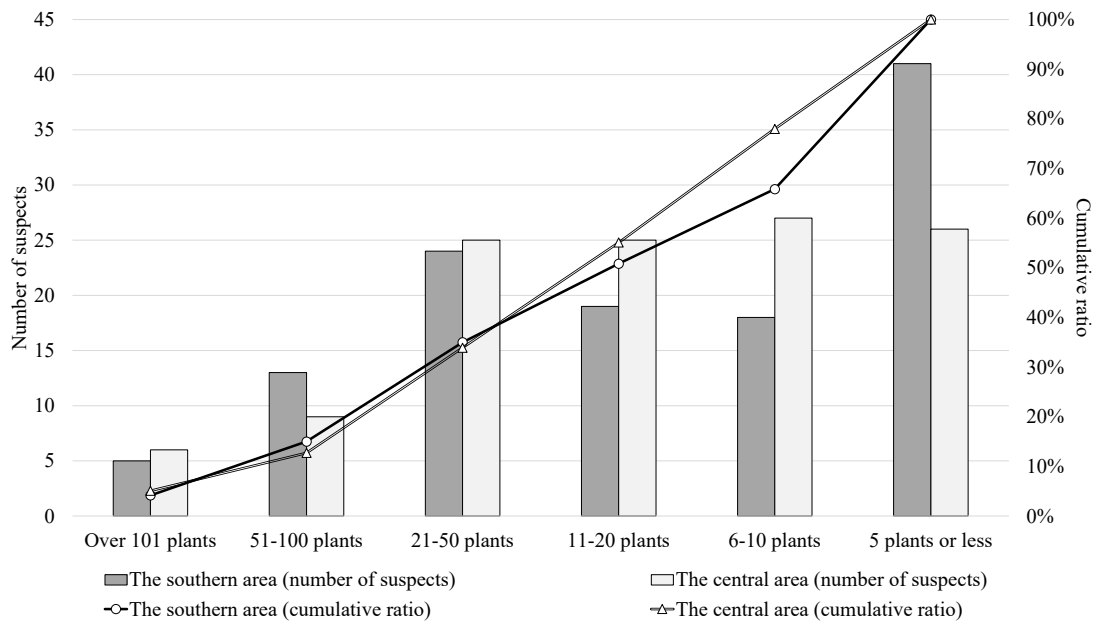
In contrast to the southern area of Yamanashi Prefecture, the suspects in the second group, adjacent to Kofu City, less commonly bought seeds and seedlings from Shizuoka Prefecture (see table A. 2). The records show fifteen suppliers' residence addresses. While they define only three suppliers from Shizuoka Prefecture, the other ten merchants arrived from Kofu City. In the central area of Yamanashi Prefecture, street peddlers in Kofu City chiefly supplied tobacco seeds and seedlings to the suburban areas. These purchasers grew tobacco seedlings, and some furnished illicit cigarette manufacturers with their raw materials.

#### *4.3. Cultivation of Tobacco Leaves*

The reports record 120 and 118 suspects of illicit tobacco cultivation in the southern and central areas of Yamanashi Prefecture, respectively. Fig. 5 demonstrates the volume of their confiscated tobacco seedlings.

We can assume that the suspects who cultivated more than twenty-one seedlings supplied tobacco leaves to illicit cigarette manufacturers. A dried tobacco leaf weighs about five grams, and a tobacco seedling has roughly twenty-five tobacco leaves (Noda 2002: 8; Aomori Prefecture 2007: 91). Thus, a seedling produces 125 grams of leaves. These leaves equal the raw materials for 125 pieces of cigarettes since the MB used about one gram of tobacco leaf as a raw material for a cigarette in 1949 (Japan Tobacco and Salt Public Corporation 1951b: 30, 37). In 1948, Japan's annual per capita consumption of cigarettes was about 1,100 pieces, while US smokers consumed about 3,400 pieces per year (Forey et al. 2002: 408, 694). Hence, nine seedlings covered the annual consumption of cigarettes per smoker. Even if a household had two smokers, it personally consumed eighteen seedlings. Therefore, over twenty-one seedlings obviously surpassed the volume of personal consumption. More than 35 percent and 34 percent of illicit farm producers





**Fig. 5** Number of suspects who were arrested for the illicit cultivation of tobacco leaves in the southern and central areas of Yamanashi Prefecture, 1946–49

*Notes:* The southern area includes Nishi-Yatsushiro and Minami-Koma Counties. The central area consists of Nishi-Yamanashi, Higashi-Yatsushiro, and Naka-Koma Counties. The number of plants demonstrates the confiscated volume.

*Source:* SGUL 1948.

in southern and central areas cultivated over twenty-one seedlings (see fig. 5). The reports indicate that the illegal producers consumed their own tobacco leaves and sold their surplus.

According to the reports, the inspectors searched Mr. T. N.’s house in Nishi-Yatsushiro County and confiscated 740 seedlings, equal to eighty-two smokers’ annual consumption volume, in May 1948. This was the largest confiscated volume in the southern area of Yamanashi Prefecture. Mr. T. N. obtained seeds for free from Mr. N. S, a year junior to Mr. T. N. in the same village. Their homes were only about 200 meters (0.1 mile) apart, suggesting they might have been acquaintances. Mr. N. S. purchased seeds from a street peddler in Fujinomiya City, the nearest large city in Shizuoka Prefecture to his home. He scattered seeds in his field and gave the rest to Mr. T. N. Mr. T. N. also cast seeds in his field and grew 1,008 seedlings. However, the inspectors hardly reveal how Mr. T. N. divested 268 seedlings, a difference between the 1,008 seedlings he raised and the 740 confiscated ones. Before the inspection, he had already sold the

remaining 268 seedlings, equal to thirty smokers' annual consumption. This case suggests that rural farmers procured seeds from illicit traders in the nearest city and circulated seeds or seedlings in their community. These farmers supplied raw materials to illegal cigarette manufacturers.

#### *4.4. Cigarette Production*

The crime of cigarette production had two characteristic points. First, the number of cigarette production crimes was small. The ratio of cigarette production crimes per thousand people in Yamanashi Prefecture was 0.02, while that of crime pertaining to tobacco leaves was over 0.30 (see tables A. 1 and A. 3). The cigarette production process consisted of two steps: processing tobacco leaves to flake and wrapping flake in cigarette paper. This production process required producers to procure two types of raw materials, tobacco leaves and cigarette paper, and some production equipment, such as knives, cutting boards, and cigarette rolling machines. Cigarette production was more complex than tobacco leaf production. Second, cigarette production offenses occurred in the city area. About half of the suspects producing illicit cigarettes lived in Kofu City (see table A. 3). The ratio of cigarette production crimes in Kofu City was more than twofold higher than in other counties. The suspects manufactured illicit cigarettes within the city.

The reports indicate thirteen cases of illegal cigarette production involving fourteen suspects. Their maximum confiscated volume of raw tobacco leaves was 9,750 grams, equal to nine smokers' annual consumption (see table A. 4). The inspectors clarified that only two manufacturers purchased raw materials from a significant tobacco leaf production area, Ibaraki Prefecture, within the Mito DMO's jurisdiction. Although they failed to unveil the eleven suspects' acquisition channels of leaves, the Kofu branch considered illicit tobacco leaf cultivation as the supply source of raw materials for manufacturing illicit cigarettes within Yamanashi Prefecture (Japan Tobacco and Salt Public Corporation, Kanto Branch 1980: 71). The inspectors actually found that a suspect purchased raw leaves within Kita-Koma County (see table A. 4). Accordingly, these suspects might procure raw materials illicitly supplied by their neighboring areas. The inspectors confiscated several thousand cigarettes exceeding the personal consumption scale in the manufacturers' homes (see table A. 4). This suggests that the manufacturers produced cigarettes for sale. Furthermore, some of them manufactured flake tobacco as well.

The inspectors frequently found the transportation of tobacco leaves because a

leaf is a bulky commodity; it is about 30 centimeters (12 inches) wide and 70 centimeters (28 inches) high. By contrast, traders easily concealed flake tobacco from the inspectors. Accordingly, some manufacturers cut leaves and produced raw cigarette materials. Mr. S. H. in Kita-Koma County purchased 9,750 grams of tobacco leaves and cut them finely with a cutter for mulberry leaves (see table A. 4). As mentioned in the second section, more than 70 percent of farmers in Yamanashi Prefecture cultivated mulberry leaves as feed for silkworms. They owned a cutter for mulberry leaves and effectively utilized tools for silkworm breeding to produce illicit raw cigarette materials. Some cigarette manufacturers in Kofu City bought flake tobacco. Ms. S. H. and Mr. M. H. in Kofu City used flake tobacco as part of their raw cigarette materials. These facts indicate that even illicit tobacco production processes partially experienced the division of labor. The reports also present that the division of labor in illicit tobacco distribution developed during the same period.

#### *4.5. Cigarette Distribution*

Illicit cigarette distribution typically occurred in the city. Over 40 percent of them happened in Kofu City, whose ratio of cigarette distribution crimes was more than twofold higher than in other counties (see table A. 5). The crime of illicit cigarette distribution was complicated since it consisted of three procedures: manufacturers' sales, brokers' purchases and sales, and retailers' purchases and sales. We focus on the crime in Kofu City to unravel the complexities.

In July 1945, US bombers dropped 970 tons of firebombs on Kofu City, resulting in the destruction of the heart of the city (Kofu City Government 1990: pp. 806–09). The air raid created enormous numbers of war victims and widows, who entered black markets to survive (Kofu City Government 1993: 40). The inspectors arrested thirty-five illicit cigarette retailers in Kofu City, and their reports explain the supply sources of seventeen suspects. More than half of the sources were within Yamanashi Prefecture; three and eight suppliers lived in Kofu City and the other counties in the prefecture, respectively. The other four and two suppliers lived in Tokyo Metropolis and the other prefecture, respectively.<sup>5</sup> Therefore, illicit retailers in Kofu City chiefly procured cigarettes from manufacturers and brokers in Yamanashi Prefecture and used the suppliers in Tokyo as adjuncts.

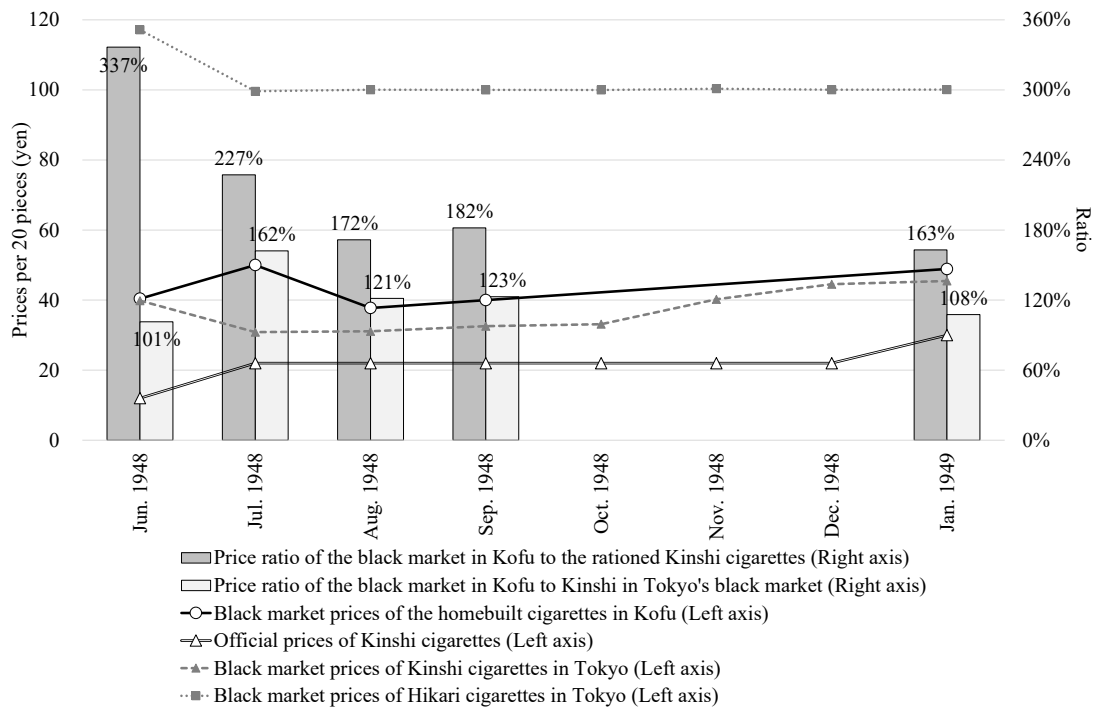
According to the previous subsection, the cigarette manufacturers within and around Kofu City purchased tobacco leaves grown in Yamanashi Prefecture. They then

sold their products to retailers within and around Kofu City. In Higashi-Yatsushiro County, an adjacent county to the city, Mr. T. I. illicitly manufactured cigarettes with his sister-in-law, Ms. H. I. (see table A. 4). He and his wife, Ms. C. I., sold their products to four retailers in Kofu City. Although the inspectors could not unveil Mr. T. I.'s production scale, they confiscated 4,255 cigarettes and 33,200 pieces of cigarette paper. These seized items proved that Mr. T. I. and his family reliably produced tens of thousands of cigarettes. These manufacturers frequently sold their products not only to retailers but also to brokers.

Brokers gathered illicit cigarettes from manufacturers and sold them to retailers. The reports record the supply channel of Mr. T. N., a retailer in Kofu City. He purchased cigarettes from Mr. Y. S., a manufacturer in Higashi-Yatsushiro County, and brokers. This case shows that the cigarette distribution process was partially segmentalized.

The division of labor in illicit tobacco production and distribution developed during the postwar period. The most complicated process was divided into seven steps: seed and seedling distribution, seedling cultivation, tobacco leaf distribution, flake tobacco production, cigarette production, brokers' cigarette trades, and cigarette sales. Although the merchants of seeds and seedlings from Shizuoka Prefecture frequently assisted with the first step, black marketeers in Yamanashi Prefecture handled the rest of the process. Accordingly, the distribution of illicit cigarettes in Kofu City was based on the production of tobacco leaves and cigarettes within the prefecture. Yamanashi Prefecture had a self-sufficient structure of illicit cigarette markets. This characteristic structure was reflected in the price movement of illicit cigarettes. Fig. 6 illustrates the black-market prices of cigarettes in Kofu and Tokyo from June 1948 to January 1949, when the inspection reports recorded these prices.

The black-market prices of homebuilt cigarettes in Kofu were less than half the prices of Hikari (光), a middle-quality cigarette, in Tokyo's black market. Therefore, the consumers in Kofu regarded home-built cigarettes as low-quality. In the low-quality cigarette market, the black-market prices in Kofu were higher than both the official and Tokyo's black-market prices of Kinshi, a low-quality cigarette. The black-market prices in Kofu were three times higher than the official prices of Kinshi in June 1948. The ratio of the former to the latter decreased in 1948 and reached 163 percent at the beginning of 1949, in conjunction with increases in the MB's cigarette sales volume (see Fig. A. 1). By contrast, the black-market price ratio of Kofu to Tokyo was unstable, while Kofu was around the same in the black-market prices as Tokyo in June 1948. Therefore, Kofu had tenuous links to black-market prices in Tokyo. The cigarette black market in Kofu had a



**Fig. 6** Black market and official prices of cigarettes in Kofu and Tokyo, June 1948–January 1949

*Note:* Hikari (光) was a middle-quality cigarette, while Kinshi was low-quality. The MB temporarily suspended producing Hikari in late 1947 (Japan Tobacco and Salt Public Corporation 1964b: 571). Accordingly, there were no official prices of Hikari after 1948.

*Sources:* SGUL 1948; Prime Minister's Office, Statistics Bureau 1949: 15–16, 1950a: 22–25.

self-sufficient structure and conducted less trade with the other markets, such as Tokyo. As a result, it generated unique prices that were remotely related to Tokyo's black-market prices. The MB's crackdown on illicit cigarette trade relationships spoiled the illicit cigarette trade in remote regions.

The MB prioritized its crackdown on trains and stations in close cooperation with the municipal and railway police. The MB's inspectors and the railway's police officers monitored main terminals and arrested many suspects (Japan Tobacco and Salt Public Corporation, Kanto Branch 1980: 43–44). Furthermore, in Yamanashi Prefecture, police set up checkpoints at main terminals and rode trains to inspect passengers' baggage (Yamanashi Prefectural Police Headquarters 1979: 829). These strict crackdowns effectively prohibited train passengers from carrying tobacco leaves and cigarettes. Nevertheless, as mentioned in this section, the Minobu Line transported tobacco seeds

and seedlings from Shizuoka Prefecture to Yamanashi Prefecture. The black marketeers in Yamanashi Prefecture limited the range of their trade items to only tobacco seeds and seedlings, which were small and easily concealed, to minimize the risk of crackdowns. They almost completed the entire production process for cigarettes within the prefecture. Consequently, generating a self-sufficient structure of illicit cigarette markets benefited from escaping those crackdowns.

## **5. Conclusion**

During the 1940s in Japan, while black markets of tobacco leaves and cigarettes covered cities and rural areas, there was a difference in the crime types between the two regions. In contrast to the cities with many suspects illegally trading cigarettes, rural suspects primarily grew tobacco leaves illegally. Even Yamanashi Prefecture, which failed to rank as a major producer of tobacco leaves, consolidated a coherent system that extended from tobacco leaf production to cigarette distribution. That system enabled black marketeers to specialize in their work by dividing the tobacco production and distribution processes.

The division of labor had two effects on the development of black markets. First, the division of labor reduced technical and financial barriers to newcomers. Potential participants easily tapped into black markets because they could handle each process as a side business by effectively utilizing their operating resources. For instance, farmers cultivated tobacco and mulberry leaves, and mulberry leaf producers used their cutting machines to produce tobacco flakes. Black markets provided side business opportunities to raise workers' incomes. Second, the division of labor engendered favorable settings for evading crackdowns. It enabled black marketeers to dedicate themselves to a single step in the cigarette production process. This production method minimized each worker's production scale and concealed the illegal actions from authorities. However, the authorities' crackdowns were nevertheless somewhat effective.

Whereas authorities might miss numerous malefactions because the specialization of black markets inhibited their crackdowns, they suppressed intra-city distributions of black-market goods. Specifically, the multiple regulatory bodies, the MB, police, and railway police, closely scrutinized railways by patrolling car interiors and inspecting at station checkpoints. These measures complicated black marketeers' intra-city transactions. As a result, black markets failed to integrate remote locations, and black-market price trends varied per city. This circumstance provided small-sized black marketeers in rural areas with more opportunities to profit. Even if large black marketeers

in major cities succeeded in reducing their production costs by expanding their production scale, they had trouble shipping their products to rural areas. Hence, black-market prices reflected the cost in the area and provided profits to small-sized black marketeers.

As the introduction mentions, the previous studies assert that the black market in the 1940s ensured survival and provided an essential outlet for entrepreneurial creativity. According to our investigation, Japan's black market indeed served these two basic functions. This study further reveals the mechanism of the black market's growth. Black markets had a division of labor structure common to legitimate markets. The specialization promoted the growth of black markets by reducing technical and financial barriers to newcomers and securing participants' profits. Although the authorities attempted to curb the expansion of black markets, their measures ironically made black marketeers' business more lucrative. This growth mechanism was isolated from the unique condition of Yamanashi Prefecture. The other rural areas could drive the growth mechanism if they possessed redundant farmlands and workforces. Accordingly, further research will be necessary to investigate the entire process, from production to transaction of black-market goods, across different Japanese areas and other countries during the 1940s.

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<sup>1</sup> Map. A. 1 indicates the locations of sixteen DMOs until November 1948.

<sup>2</sup> We use the sources shown in fig. 1 to calculate the share of tobacco leaf harvest volume by the DMO.

<sup>3</sup> We calculate the share of cigarette sales volume by the DMO using the sources shown in fig. 1.

<sup>4</sup> The Japanese fiscal year begins in April and ends in March of the following year from 1886 onward.

<sup>5</sup> The other two suppliers lived in Tochigi and Fukushima Prefectures, adjacent prefectures of Ibaraki Prefecture.

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## Supplementary Materials



**Map A. 1** Location of Yamanashi Prefecture and the District Monopoly Offices in 1948

*Notes:* The standard characters denote Yamanashi Prefecture and its neighboring prefectures. The italic characters indicate the cities that have the District Monopoly Offices.

*Source:* Website of the Geospatial Information Authority of Japan. <https://maps.gsi.go.jp/>. Access date: February 16, 2025.



**Map A. 2** Terrain map of Yamanashi Prefecture

*Source:* Website of the Geospatial Information Authority of Japan. <https://maps.gsi.go.jp/>. Access date: February 16, 2025.

**Table A. 1** Crimes of tobacco leaves in Yamanashi Prefecture by city and county, 1946–49

City and counties	Population in 1947	Cultivation			Possession and trade		
		Number of crimes	Composition ratio	Crime rate per thousand people	Number of crimes	Composition ratio	Crime rate per thousand people
Kofu City	104,993	15	5%	0.14	22	7%	0.21
Higashi-Yamanashi County	101,990	25	8%	0.25	26	9%	0.25
Nishi-Yamanashi County	14,403	11	4%	0.76	9	3%	0.62
Higashi-Yatsushiro County	73,051	39	13%	0.53	34	11%	0.47
Nishi-Yatsushiro County	55,465	44	14%	0.79	34	11%	0.61
Minami-Koma County	65,961	79	25%	1.20	67	22%	1.02
Naka-Koma County	106,059	70	23%	0.66	65	22%	0.61
Kita-Koma County	111,278	4	1%	0.04	24	8%	0.22
Minami-Tsuru County	101,856	19	6%	0.19	14	5%	0.14
Kita-Tsuru County	72,195	4	1%	0.06	4	1%	0.06
Total	807,251	310	100%	0.38	299	100%	0.37

*Notes:* We use the following formula to calculate the crime rate per thousand people.

$$\text{Crime rate per thousand people} = \frac{\text{Number of crimes}}{\text{Population in 1947}} \times 1000$$

*Sources:* SGUL 1948; Prime Minister's Office, Statistics Bureau 1948: 49–50.



**Table A. 2** Number of illicit suppliers of tobacco seeds and seedlings in the southern and central areas of Yamanashi Prefecture, 1946–49

Business type	Address	The southern area (Minami-Koma and Nishi Yatsushiro Counties)	The central area (Nishi-Yamanashi, Higashi-Yatsushiro, and Naka-Koma Counties)
Street peddler	Kofu City	1	9
	Shizuoka Prefecture	6	0
	Unknown	0	1
Itinerant merchant	Kofu City	0	1
	Yamanashi Prefecture (except Kofu City)	0	1
	Shizuoka Prefecture	6	3
	Unknown	20	9
Merchant of seeds	Shizuoka Prefecture	1	0
	Unknown	1	2
Merchant of seedlings	Yamanashi Prefecture (except Kofu City)	0	1
	Unknown	9	17

*Note:* This table excludes the records that have no information on the suppliers of tobacco seeds and seedlings.

*Source:* SGUL 1948.

**Table A. 3** Crimes of cigarette production in Yamanashi Prefecture by city and county, 1946–49

City and counties	Population in 1947	Number of crimes	Composition ratio	Crime rate per thousand people
Kofu City	104,993	6	46%	0.06
Higashi-Yamanashi County	101,990	0	0%	0.00
Nishi-Yamanashi County	14,403	0	0%	0.00
Higashi-Yatsushiro County	73,051	2	15%	0.03
Nishi-Yatsushiro County	55,465	0	0%	0.00
Minami-Koma County	65,961	0	0%	0.00
Naka-Koma County	106,059	2	15%	0.02
Kita-Koma County	111,278	2	15%	0.02
Minami-Tsuru County	101,856	1	8%	0.01
Kita-Tsuru County	72,195	0	0%	0.00
Total	807,251	13	100%	0.02

*Note:* See Table A. 1.

*Source:* See Table A. 1.

**Table A. 4** Suspects of cigarette production in Yamanashi Prefecture, 1946–49

Suspects' name	Suspects' addresses	Volume of confiscated raw tobacco leaves	Origin of raw tobacco leaves	Volume of confiscated cigarettes	Sale destinations
Ms. S. H.	Kofu City	1,875 grams	Unknown	1,300 pieces	Kofu City
Mr. T. M.	Kofu City	Unknown	Unknown	8,000 pieces	Kofu City
Mr. M. H.	Kofu City	7,370 grams	Unknown	5,000 pieces	Kofu City
Mr. T. I.	Kofu City	Unknown	Ibaraki Prefecture	Nothing	Unknown
Mr. H. B.	Kofu City	Unknown	Unknown	200 pieces	Unknown
Mr. N. K.	Kofu City	3,750 grams	Ibaraki Prefecture	Unknown	Unknown
Mr. T. I.	Higashi-Yatsushiro County	7,750 grams	Unknown	4,255 pieces	Kofu City
Ms. H. I.					Higashi-Yatsushiro County
Mr. Y. S.	Higashi-Yatsushiro County	3,750 grams	Unknown	3,250 pieces	Kofu City
Mr. Y. U.	Naka-Koma County	100 grams	Unknown	250 pieces	Unknown
Mr. A. Y.	Naka-Koma County	1,125 grams	Unknown	1,130 pieces	Kita-Koma County
Mr. I. U.	Kita-Koma County	1,500 grams	Kita-Koma County	500 pieces	Kofu City
Mr. S. H.	Kita-Koma County	9,750 grams	Unknown	7,500 grams of tobacco leaves	Nagano Prefecture
Mr. S. W.	Minami-Tsuru County	6,712 grams	Unknown	7,345 pieces	Minami-Tsuru County

*Note:* “Unknown” denotes that the inspection reports do not record the volume of seized items.

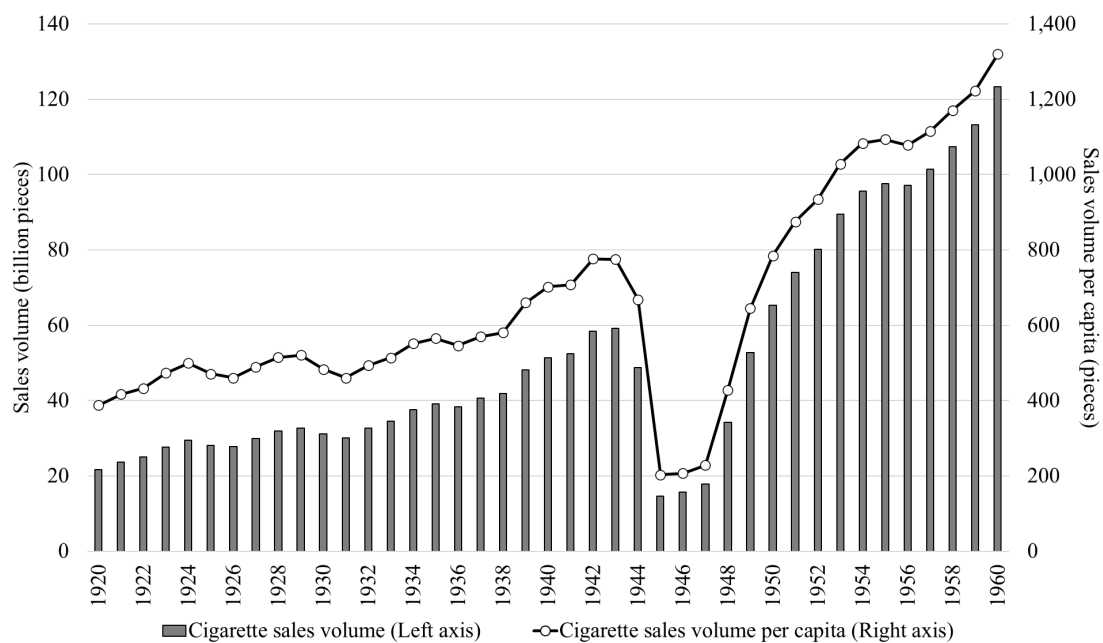
*Source:* See Table A. 1.

**Table A. 5** Crimes of cigarette distribution in Yamanashi Prefecture by city and county, 1946–49

City and counties	Population in 1947	Purchase			Sale		
		Number of crimes	Composition ratio	Crime rate per thousand people	Number of crimes	Composition ratio	Crime rate per thousand people
Kofu City	104,993	35	42%	0.33	29	41%	0.28
Higashi-Yamanashi County	101,990	10	12%	0.10	12	17%	0.12
Nishi-Yamanashi County	14,403	2	2%	0.14	2	3%	0.14
Higashi-Yatsushiro County	73,051	10	12%	0.14	7	10%	0.10
Nishi-Yatsushiro County	55,465	4	5%	0.07	2	3%	0.04
Minami-Koma County	65,961	7	8%	0.11	8	11%	0.12
Naka-Koma County	106,059	5	6%	0.05	6	8%	0.06
Kita-Koma County	111,278	3	4%	0.03	3	4%	0.03
Minami-Tsuru County	101,856	7	8%	0.07	2	3%	0.02
Kita-Tsuru County	72,195	0	0%	0.00	0	0%	0.00
Total	807,251	83	100%	0.10	71	100%	0.09

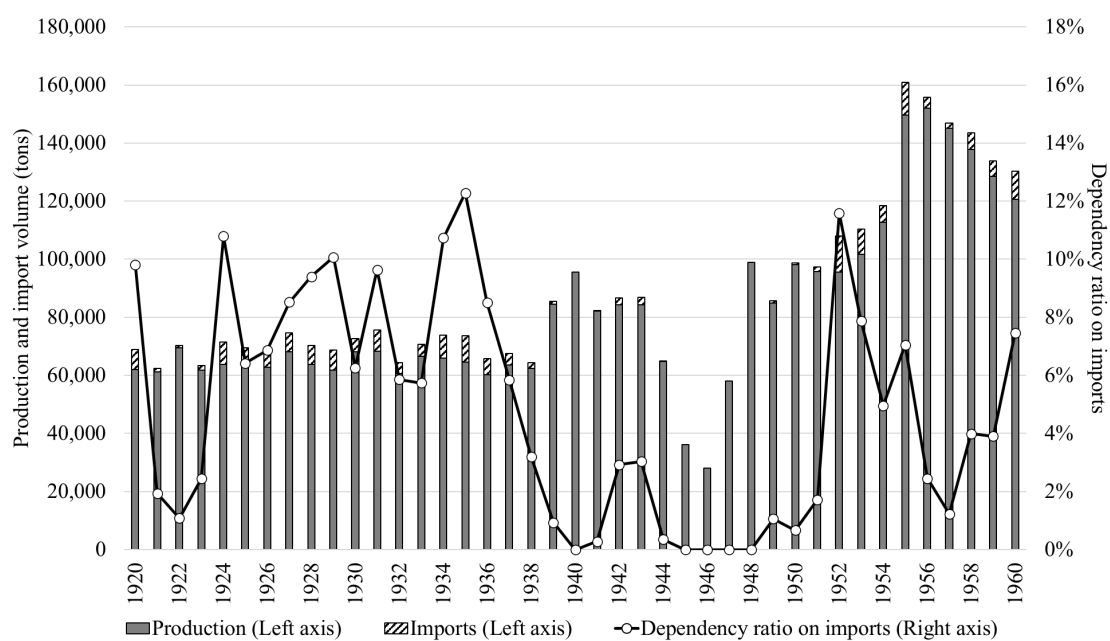
*Notes:* See Table A. 1.

*Sources:* See Table A. 1.



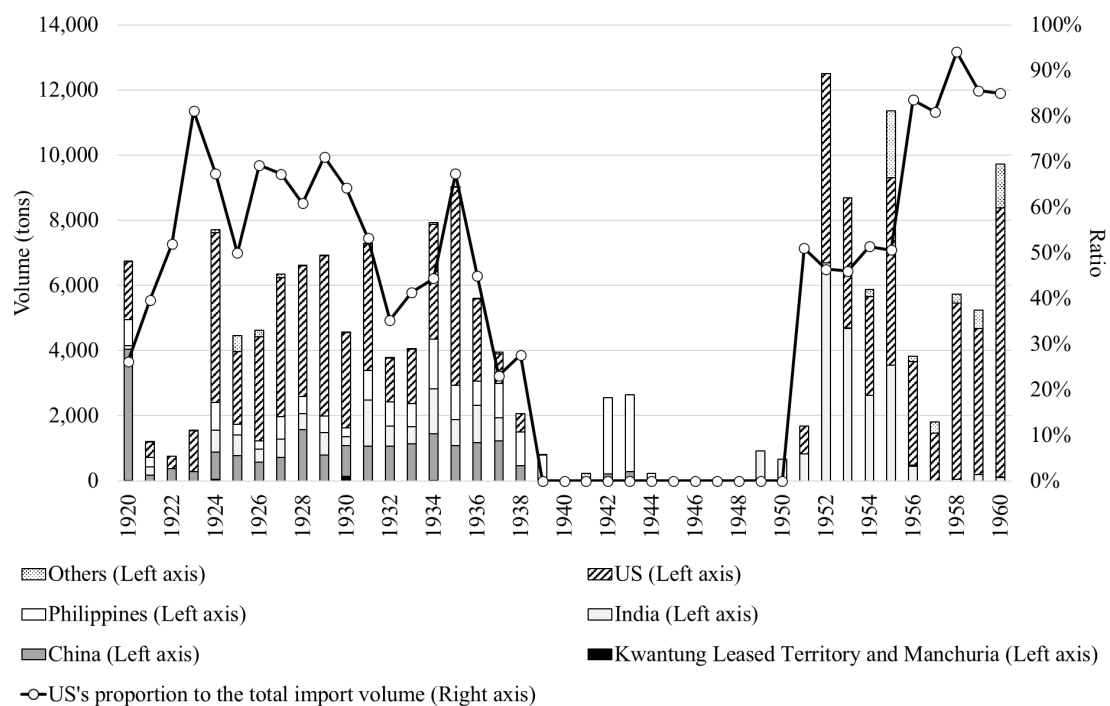
**Fig. A. 1** Cigarette sales volume in Japan, 1920–60

*Sources:* Executive Office of Statistics Commission and Statistics Bureau of the Prime Minister's Office 1949: 38; Japan Tobacco and Salt Public Corporation 1951b: 66, 1954: 64, 1962: 72; Ministry of Finance, Monopoly Bureau 1937: 133–34, 1943: 44; Office of the Prime Minister, Bureau of Statistics 1961: 11; Statistics Bureau 1941: 5.



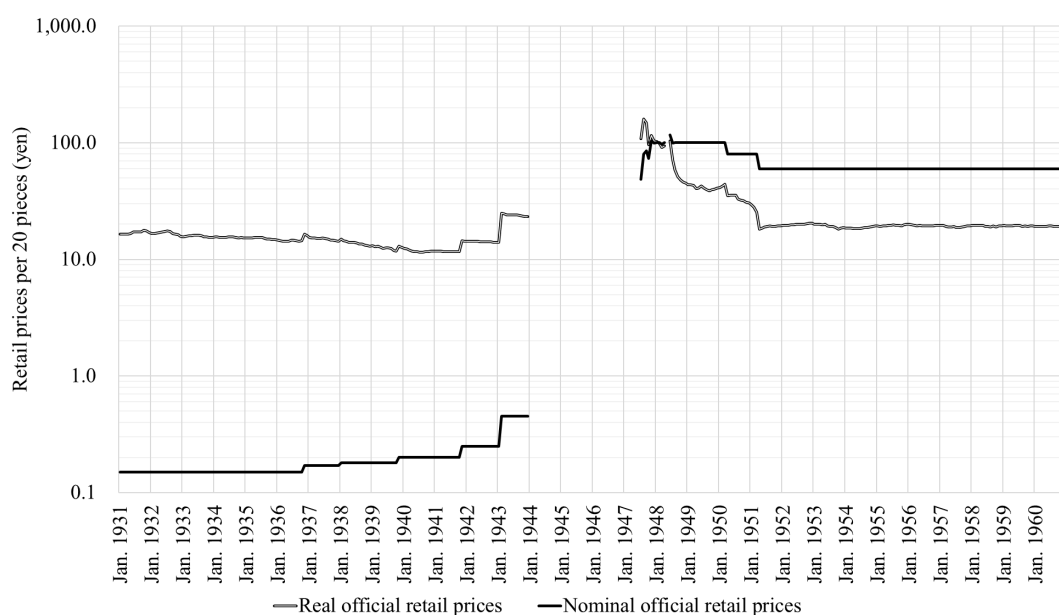
**Fig. A. 2** Production and import volume of tobacco leaves in Japan, 1920–60

*Sources:* Japan Tobacco and Salt Public Corporation 1951b: 10, 80–81, 1962: 18, 92–93; Ministry of Finance 1922: 356, 1926: 313–14, 1929: 375–76, 1931: 254, 1932: 288, 1934: 344, 1936: 759, 1939: 981, 1942: 849; Ministry of Finance, Monopoly Bureau 1937: 22–24, 1942: 70, 1943: 16, 56.



**Fig. A. 3** Import volume of tobacco leaves by origins, 1920–60

*Sources:* Japan Tobacco and Salt Public Corporation 1951b: 80–81, 1962: 92–93; Ministry of Finance 1922: 356, 1926: 313–14, 1929: 375–76, 1931: 254, 1932: 288, 1934: 344, 1936: 759, 1939: 981, 1942: 849; Ministry of Finance, Monopoly Bureau 1942: 70, 1943: 56.

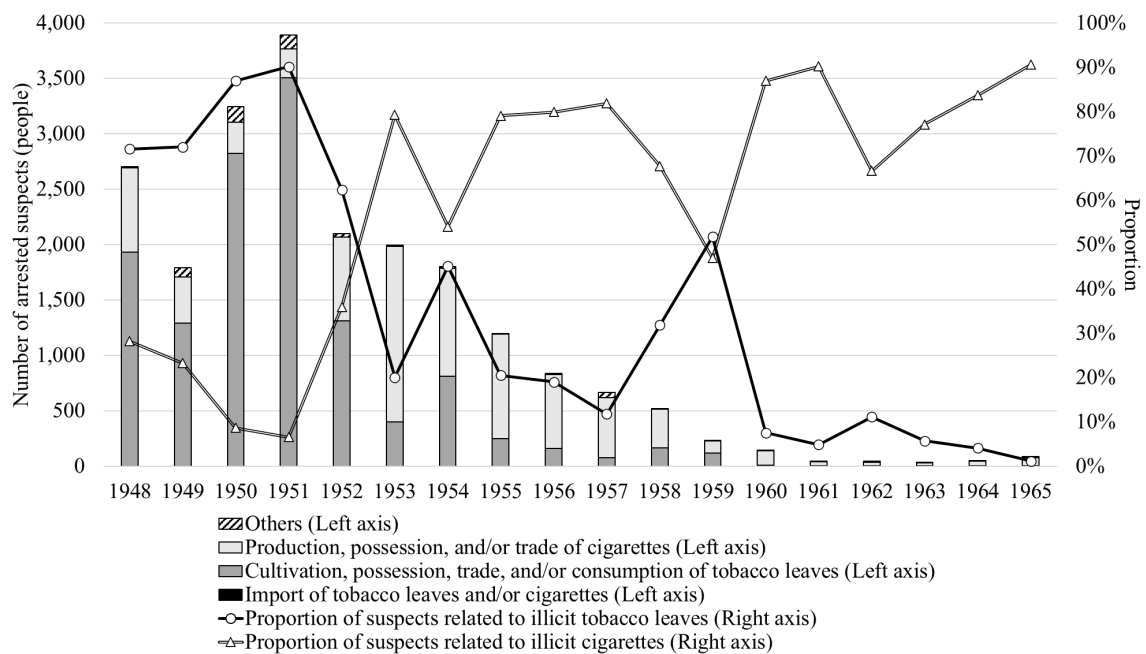


**Fig. A. 4** Real and nominal official retail prices of cigarettes in Tokyo, 1930–60

*Notes:* This figure indicates the official retail prices of Asahi (朝日) until 1943 and Hikari (光) from 1947. These were middle-quality cigarettes, whereas fig. 1 shows low-quality ones (Japan Tobacco and Salt Public Corporation 1964b: 549–51, 70). The price data from January 1944 to June 1947 is missing. The vertical axis is a decadic logarithmic axis.

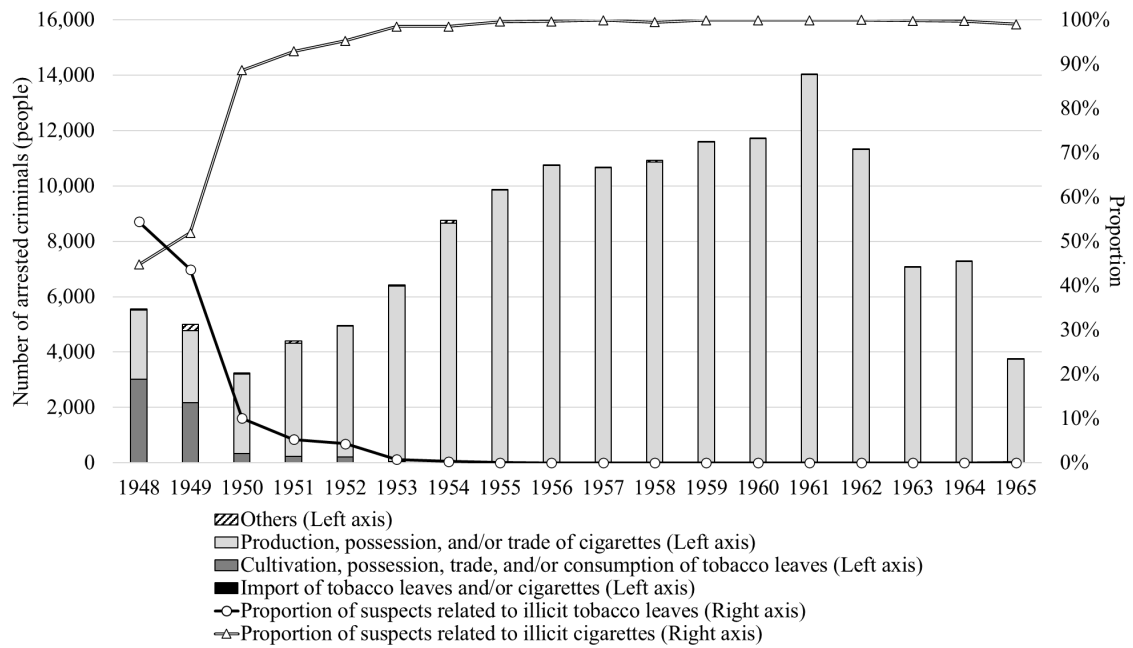
*Sources:* Bank of Japan, Statistics Bureau 1957: 15, 1958: 15, 1959: 15, 1960: 15, 1961: 15, 1966: 11–12; Ministry of Commerce and Industry 1933: 180, 1934: 105, 1935: 105, 1936: 105, 1937: 105, 1938: 105, 1939: 105, 1940: 103; Prime Minister’s Office, Statistics Bureau 1949: 11–16, 1950a: 22–25, 1950b: 20–23, 1951: 24–27, 1956a: 500–01, 1956b: 554–55, 1957: 534, 1958a: 530, 1958b: 534–35; Tokyo Chamber of Commerce and Industry 1942: 38; Tokyo Economic Association for Commerce and Industry 1944: 40.





**Fig. A. 5** Number of arrested suspects violating the Tobacco Monopoly Law by the type of crimes within the jurisdiction of the Mito District Monopoly Office, 1948–65

*Source:* See fig. 1.



**Fig. A. 6** Number of arrested suspects violating the Tobacco Monopoly Law by crimes within the jurisdiction of the Tokyo District Monopoly Office, 1948–65

*Source:* See fig. 1.