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WAR RELOCATION AUTHORITY

WHITCOMB HOTEL BUILDING
SAN FRANCISCO, CALIFORNIA

April 3, 1942

MEMORANDUM for M. S. Eisenhower

SUBJECT: Proposal for Administration of the Parker Project

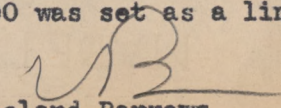
If we accept the basic idea of our agreement with the Indian service, i.e., that the Parker Project would be administered by the Indian service as agents of this organization, I see no serious objection to the proposal presented by Mr. Fryer and Mrs. Adams. I would suggest that the general responsibility of the War Relocation Authority should be restated more clearly than it is in this document, and that specific reference should be made to the right of the War Relocation Authority to take over the Project at its discretion, after giving reasonable notice.

I also think that provision should be made in the language of this document for inspection and appraisal of the Project to be made by the War Relocation Authority Regional Staff. This appraisal and inspection would not be for the purpose of interference with the details of the administration, but to provide a systematic basis for determining from time to time whether the Authority should exercise its right to take over the administration.

Unless the proposed budget, which I have not seen, covers the point, I think the financial arrangements need to be spelled out in more detail and agreed to by the Authority before they are put into operation. I understand, for example, that what are described as "community enterprises" will be initiated with funds provided by the Authority, but will thenceforth be supported by income from the evacuees. Such income will necessarily come almost entirely from the evacuees' earnings on public works. The number of essential activities financed under this community enterprise system would seem to me necessarily to be a very important factor in determining the wage policy on the Project.

The proposal contemplates that income from "war work" will be put into a special deposit account available for reallocation by the Project to the Office of Indian Affairs. This may be desirable as a means of insuring that credit is received by the Project for its earnings in useful work, and it should reduce the size of our requests for appropriations. I believe, however, that if we are to have adequate budgetary control over the Project, reallocation of the funds should be made only by the War Relocation Authority on the basis of an approved budget for the Project.

I have two minor questions regarding language in the proposal. On Page 12 I do not understand the statement "outside Civil Service limitations as provided in Executive Orders". On Page 15 in the proposed language for the allocation of funds I should like to know why the sum of \$12,000 was set as a limitation on employment outside Civil Service.


Leland Barrows
Executive Officer

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August 14, 1942

Mr. C. D. Southard
Vice President
Butler Brothers
Chicago, Illinois

Dear Mr. Southard:

This is in acknowledgement of your inquiry concerning the operation of community enterprises at relocation centers, which has been referred to us by Mr. V. O. Lothman.

At each of the ten war relocation centers operated by this Authority there will be organized a corporation to be known as "Community Enterprises, Inc.," or some similar name, for the purpose of providing the Japanese evacuees the goods and services that are not supplied by the Government. These corporations will be organized by the Japanese evacuees under State law, and will be managed by the Japanese under the supervision of the War Relocation Authority. The corporations will enjoy a monopoly at each center and for that reason will be allowed permission to operate only under policies that are approved by the Government. The corporations must follow an accounting system prescribed by the Government; must agree to accumulate adequate reserves before distributing profits, and must agree to using a mark-up system that will permit them to operate on a sound business basis.

It is not possible, however, to organize these corporations until a substantial number of the Japanese have arrived at the relocation centers. Meanwhile, it is necessary that some arrangement be made for supplying the goods and services needed by the people during the time the community is assembling. During this initial stage, therefore, the stores are operated without incorporation. This is a temporary device and will be abandoned just as rapidly as the corporations can be organized.

The experience of the community enterprises at the three war relocation centers now in operation at Tule Lake, California, Manzanar, California, and Poston, Arizona, indicates that during this temporary period the stores have been able to accumulate a sufficient profit to capitalize themselves. I have been informed that the store at Manzanar has made a net profit of approximately \$14,000 in less than two months.

Mr. O. Rossman, concerning whom you have made inquiry, is a Business Specialist on the staff of the War Relocation Authority. His headquarters are at the relocation center at Cody, Wyoming and he is charged with the responsibility of supervising the community enterprises at that center. During the next few weeks, while the Japanese are arriving at the center, Mr. Rossman has been authorized to organize the community enterprises on behalf of the Japanese. After the Japanese have arrived and the store has been incorporated and turned over to them, Mr. Rossman will be responsible for supervising the activities of the store on behalf of the War Relocation Authority.

We shall be very glad to furnish you any additional information concerning the operation of the community enterprises you may desire.

Sincerely,

E. M. Rowalt
Deputy Director

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cc: Mr. Smart
Mr. Lothman

WAR RELOCATION AUTHORITY

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COLLECT

Washington, D. C.
August 12, 1942

STRAIGHT TELEGRAM

Fred B. Eisman
Rice Stix Dry Goods Company
St. Louis, Missouri

War Relocation Authority sponsoring community stores at Heart Mountain. Government will advance loans for purchase of stocks of goods until income permits cooperative to finance its own purchasing.

E. M. Rowalt
Acting Director

cc: Mr. Smart
Mr. Provinse

COPY OF WESTERN UNION TELEGRAM

St. Louis, Mo. August 11, 1942 PM 4:55

War Relocation Authority
Washington, D. C.

COMMUNITY ENTERPRISE HART MOUNTAIN PROJECT CODY WYOMING
WANTS TO BUY \$10,000 WORTH OF OUR MERCHANDISE FOR AT ONCE
SHIPMENT ON SIXTY DAYS TERMS. KINDLY WIRE US COLLECT WHETHER
THE GOVERNMENT HAS SET UP THESE STORES AND IS RESPONSIBLE
FOR CREDIT THUS EXTENDED AND IF NOT HOW THE CAPITAL NECESSARY
FOR THE OPERATION OF SUCH STORES IS BEING SUPPLIED

FRED B. EISEMAN VICE PRESIDENT RICE STIX DRY GOODS CO.

Center
Lm.

C106

October 20, 1942

Mr. D. S. Myer, Director

Attention: Mr. E. J. Utz

Dear Mr. Myer:

Since your departure from San Francisco we have given considerable thought to the possibility of operating the farming enterprise with in the relocation areas on a private enterprise basis. This appears to be a rather difficult and long drawn out procedure and then may not result in us securing the proper type of a person to operate such an enterprise. We are not attempting in any way to criticize the suggestion of this type of proposal but are attempting to point out a few of the pitfalls and problems which may exist. WRA would, we believe, be seriously criticized regardless of who the individual might be if he entered into an agreement to operate the farm lands as a private enterprise due to the fact that the individual would be furnished a definite labor supply while farmers adjacent to the area would not be eligible for such a labor supply in any of the areas on Military Zones 1 and 2.

To put such lands up for bid on a rental basis and cover all the problems involved between Indian Service, Bureau of Reclamation and WRA would again present many problems. The low bidder would, in all probability, not be acceptable to WRA due to the standpoint of labor relations. If we then made the selection of a desirable person, someone we knew, we would be open for criticism as explained in the previous paragraph. Just how such an arrangement could operate satisfactorily in line with the subjugation which we are undertaking in the management of the project, is somewhat questionable. However, it does have merit and you may have the solution.

On the other hand, if it is possible for WRA to clear with the proper groups, it is believed that WRA has the personnel, the ability, and the equipment to satisfactorily operate the farming enterprise under their management if a scheme of distribution of profits could be worked out so that those who participate could receive more than the WRA wage scale. We further believe that such an operation would greatly decrease the cost of project operation to WRA, would provide the necessary incentive for workers, and would produce large quantities of high grade agricultural products that are urgently needed by both the armed forces and lend-lease. At present the Quartermaster is finding it difficult to secure produce on the west coast and has approached us concerning the purchase of produce from relocation areas. There are in excess of ten buyers attempting to buy produce from Tule Lake but under the present method of procedure it is difficult to secure proper grading or to get the produce from the farm to the cars. We are far behind in schedules and will have for you, within the next two or three days, a report on the loss which we will probably take this year through our inability to have crops harvested.

We have enclosed two reports, one for Tule Lake on crops that were planted this year and one for Gila on some crops that were planted and others that are anticipated. Considering Tule Lake, we believe

Further
Consideration
B. Ag. C.
and S. H. C.
Project
Lm.
H. H. H.

that the following would be true if we had the evacuees pay all expenses for equipment and materials needed to produce a crop and then, in addition, to pay their subsistence for themselves and families and their own cash advances:

1. Assume 500 workers are necessary for operation of the farm on an 8 months' basis.
2. Total income from farm and agricultural enterprise would equal approximately (gross annually)..... \$822,295.00
3. Expenses to WRA for all equipment, operating supplies, etc., would equal approximately..... 471,423.00
4. Balance which could be distributed after deduction of all expenses, cash advances to 500 workers, subsistence to 500 workers, and subsistence to their dependents..... 350,872.00
Or an average to the 7,000 workers employed at Tule Lake of approximately (per month)..... 4.17

GILA: The Gila River Project presents a somewhat different picture, but assuming that the figures are correct and are taken on averages over a number of years, Gila should produce approximately \$1,230,000 worth of produce, making a deduction for profit on subsistence items, the total figure should approximate \$1,206,803. The estimated expense is \$655,344.00 which would show a net return of approximately \$551,459. Assuming the same number of workers for the Gila Project as on the Tule Lake Project, the profits would equal approximately \$6.00 per month for each member of the work corps. You will note that the figures on Gila appear rather large.

(This is due to the fact that there is double crop on much of this land when climatic conditions are as favorable as they are at Gila.

Our further thinking on this matter is that two items should be protected. One is that whenever the income from outside sources or enterprises operated by WRA will equal \$35 per month on an annual basis to members of the work corps, that sums above this figure be divided on a 50-50 basis between WRA and the work corps, said division to WRA to go as an offset against subsistence for all workers within the area. Further, at no time should the evacuee's earnings from WRA exceed more than \$50 per month, the base pay of a private in the Army.

We hope that these figures may be of some value to you in arriving at an early decision and that you will forward to us your findings and decisions as early as possible so that we may carry on further negotiations with buyers who are anxious to get needed produce, not only for lend-lease, but for the Army.

E. M. Rowalt, Acting Reg. Dir.

Factory Plans - Address Harry Kumagai
H. A. Mathieson WRA
C 1.06

DEPARTMENT OF FACTORY PLANNING

Divisions

May 29, 1942

- I. Japanese food
 - A. Shoyu
 - B. Miso
 - C. Tofu, Age, Koniyaku
 - D. Tsuke-mo-no
 - E. Noodles
- II. Dairy Products
 - A. Milk
 - B. Butter
 - C. Cheese
 - D. Ice cream
 - E. Cream (coffee)
- III. Processed food.
- IV. Other food products
 - A. Bakery goods
 - B. Candies and cookies
 - C. Preserves - Jams, jellies
- V. Textiles
 - A. Clothing
 - 1. Men's apparel
 - 2. Women's apparel
 - B. Bedding
 - C. Sweaters and coats
 - D. Book binding
- VI. Implements
 - A. Farm tools and equipment
- VII. Furnishings
- VIII. Cabinet makers
- IX. Toys
- X. Building materials
- XI. Ceramics
- XII. Agricultural fertilizer
- XIII. Dehydration processes.

POSTON COMMUNITY ENTERPRISE
Department of Factory Planning

June 2, 1942

Food Division:

- I. Japanese food
 - a. Shoyu - Information yet unavailable.
 - b. Miso - Information yet unavailable.
 - c. Tofu - See detailed reports attached.
 - d. Tsukemono - Report previously submitted.
 - e. Noodles - See reports on Nanka Seimen Company of Los Angeles, attached.
- II. Dairy Products - information yet unavailable.
 - a. Milk
 - b. Butter
 - c. Cheese
 - d. Ice cream
 - e. Cream (coffee)
- III. Processed foods - information yet unavailable.
- IV. Other foods.
 - a. Bakery goods.
 - Takahashi, T. - 2 yrs. experience.
no occupational equipment.
 - b. Candy and cookies.
 - Kochi - 25 yrs. experience
no occupational equipment
 - c. Preserves - information yet unavailable
 - d. Soda works
 - Noritake - see report attached on
Sunrise Soda Works.

POSTON COMMUNITY ENTERPRISE
Department of Factory Planning

June 2, 1942

V. Textiles

	<u>No. of workers</u>	<u>Equipment Available</u>
	2 Tailors	none
	13 Seamstresses	9 available (some have sewing machines on hand)
	1 Mattress mfr.	none
VI. Implements		
	22 mechanics, machinists and electricians	Few have small tools.
VII. Carpenters and cabinet makers		
	12 carpenters and cabinet makers	Small equipment on hand.
VIII. Ceramist		
	1 Ceramist	none
IX. Fertilizer		
	2 Fertilizer	none

Remarks:

Due to the incompleteness of our files at present, a more detailed report on our division outside of food products is not available. Further information is available by consulting the files on hand.

By

Harry M. Kumagai

HARRY M. KUMAGAI
Factory Planning

Approved:

H. A. Mathieson

Regional Files Wash. D. C. .002
Miyamoto

C1.06

FS

Memo from Stancliff, (Manager, Industrial Division) to R. B. Cozzens
June 25, 1942

Subject: Food for Caucasian workers on the project

The first time I was at Manzanar I had luncheon at one of the regular Japanese mess halls, together with the other Caucasian workers on the project. While the Japanese at adjoining tables were eating their usual diet, we were served large steaks and rather an elaborate meal with special service.

It is my opinion that this custom has been discontinued since Mr. Nash has taken complete charge of the project.

It is quite possible that a policy has been established regarding this matter, but it seems to me that while Caucasian workers are eating in the same mess hall with the Japanese they should eat the same type of food and have the same type of service. If there is to be any difference in the diets of the Caucasian and the Japanese workers, they should be served in a separate mess hall. Under normal conditions, it seems to me that all the food on the project through the various mess halls should be the same; otherwise, bitterness will grow in the minds of the Japanese, and, I think, justifiably so.

Regional Files 516, Wash. DC
Miyamoto

C. Entorp.
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Letter from Duncan Low, Chief Price Attorney, OPA San Francisco, to Larry Collins.
July 20, 1942

Dear Sir:

You have inquired of this office concerning the procedure for establishing ceiling prices for goods to be sold by stores located at Japanese Relocation Centers.

The General Maximum Price Regulation provides, in substance, where a new store is opened the highest price charged by the store's nearest competitor for the particular commodity sold fixes the ceiling for the new store. Since these stores to be located in the Relocation Centers will not compete with any other retail stores, it will be necessary for you to price in accordance with the ceilings established by mail order houses such as Montgomery Ward and Sears Roebuck, as they alone will be your competitors.

CONFIDENTIAL

April 19, 1943.

FS

AIR MAIL

Mr. John H. Provinse
c/o Mr. Guy Robertson
Project Director
Heart Mountain Relocation Center
Heart Mountain, Wyoming.

Dear Mr. Provinse:

You will remember that we borrowed Lee Poole from Manzanar to do the necessary educational work at Heart Mountain. The reason for sending Lee Poole to Heart Mountain was that we were sure that no good cooperative educational work had ever been done at that project for the simple reason that they had never employed anyone in the Community Enterprises Division with experience organization cooperatives. Now the whole question of cooperatives has caused the Administrative Staff At Heart Mountain a great deal of trouble, especially because the Okamoto vocal and written tirades and the support that his point of view received with some of the more troublesome residents. I believe however, all the opposition was against the idea of cooperatives without understanding our purpose in sponsoring them. I think you will agree that our purpose was that first, we wished to see the enterprises controlled by the residents themselves. Secondly, that all profits would be distributed to the residents as dividends, rather than becoming a nice sum of money for the Administrative Staff to play with. And, third, to insure the fact that the residents would get those goods and services they wished at as low a cost as possible. As long as these three things were accomplished we would not care what they called the organization instituted to carry them out.

Lee Poole's job at Heart Mountain should be to stay there until he has helped them work out the system of patronage refunds to the customers of the enterprises in proportion to the business they did there. He should also see that the committee in charge of the enterprises whether it is called the Board of Directors or The Trustees, should be democratically elected.

The Project Director, is of course, anxious that Lee Poole does not cause anymore controversy on this subject of cooperatives and is therefore unwilling that he carry on a campaign for the organization of cooperatives. Poole should therefore accomplish this task with a great deal of tact and resourcefulness.

Will you please talk to Lee Poole and explain to him the importance of not offending the project staff? I have written him along these lines. Would you also please talk to the Project Director and to Todd and Taggart about the necessity of having the trustees democratically elected and the profits paid as patronage dividends after the necessary allocations have been made?

Yours very sincerely

W. Gerald Richardson, Head,
Community Enterprises Section