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FINAL REPORT

COMMUNITY MANAGEMENT DIVISION

BUSINESS ENTERPRISES

INTRODUCTION

In this year when we are celebrating the 100th birthday of the founding of the modern Cooperative movement at Rochdale, England, it is reassuring to learn that Cooperatives are still deriving much of their strength from humble beginnings and the consequent struggle to become mature organizations. This is no where better illustrated than in the case of the Jerome Cooperative, not only during the stages of its final incorporation as a cooperative but in the early days when, as Community Enterprises, there was much common purpose in the struggle to facilitate organization. Of course, this is the basic similarity between the Rochdale Society and the Jerome Cooperative. In both cases, there were the vague gropings of a community searching for the best possible method of solving one of its major problems, the economic one. A group of people who had sustained great economic losses and who were receiving distressingly low incomes turned in common cause to some method which would help extricate them from their plight.

In acting as an agent which released the human forces enabling the evacuees to go ahead with organizing a part of the center economic life of a com-

munity basis, the WRA followed an extremely intelligent policy. Not only did it solve an important personnel and administrative problem for the WRA, but it extended to the evacuee population by far the largest sphere of self government in the entire program. Administrative simplicity and the extension of democracy were undoubtedly foremost in the minds of those responsible for the formation of WRA policy on Business Enterprises. The success of this idea when put into practice poses an important question for WRA in other fields of endeavor. It is not for this chronicle of events to insert an opinion at this stage, but it is significant that evacuee opinion generally wonders why it has not been possible to so extend evacuee responsibility in other phases of the WRA program.

Though the above are the important reasons for the adoption of this policy, there are others which had an effect on the ultimate decision and which may be far more significant in the long run. One is the assumption, as in some other government agencies, that the Cooperative Movement represents something which should be encouraged among all people, not only because of its economic advantages but because of its broad universalism and peaceful, voluntary approach to basic social problems. L

social problems. Linked to this interpretation of the cooperative idea is the feeling that cooperatives are likely to play an increasingly important role in the post-war world and that temporary detention in Relocation Centers should not preclude the evacuees from full participation in this trend and "keeping up" with happenings in the outside world. Finally, it was felt that a cooperative program could facilitate assimilation, not so much from the point of view of job placement in cooperatives as much as actual future participation in their affairs and the establishment of relations with regional cooperative organizations while the evacuees were still in the centers.

From a historical point of view the story of the Jerome Cooperative can be broken down into the following stages: 1. Initial operations established by the Superintendent. 2. The Period of Trust Operation. 3. Organizational Stage. 4. Continuing Education and Final Liquidation.

INITIAL OPERATIONS

The initial operations, to an outsider studying the available records of that period, were marked by a great deal of confusion, a high turnover of appointed personnel, and a certain amount of indecision in respect to establishing new enterprises as well as a

lower quality of personnel compared to the latter period of Organization. With the aid of 3 appointed school teachers a store was opened on October 10. This store was stocked with goods financed through a personal loans secured by signatures of these men (\$150 in all). It was located in one apartment of a barrack and carried a very limited line of merchandise. Because the capital available was so small and transportation facilities so inadequate, it was necessary to stock the store by buying merchandise in the immediate vicinity, and only the items with a rapid turnover--foods, tobaccos, candy, soft drinks, soaps, tooth pastes, fly spray, etc. Inadequate transportation facilities, inadequate merchandising facilities, inadequate capital and rapid turnover of merchandise naturally created a

very difficult situation and one which called for further action very soon.

This action came when the store was moved on October 19, 1942, to a new location and occupied an entire barrack. The office of Community Enterprises was now set up in the back of the building and a certain amount of direction of the program was beginning to take place. By October 20, a man scheduled to teach at the High School arrived at the project and was detailed to aid the program. It should be pointed out that there were at this time, four of the appointed personnel spending part time getting the enterprises under way. This was probably necessary in the early stages of development, because obtaining merchandise from outside the center and attempting to establish commercial relations with large wholesalers required considerable time.

On October 26, 1942, a mail order department was opened under the supervision of Mr. Enkichi Shintani. The business contact was with Montgomery Ward & Co., and a commission of 10% was paid to the Community Enterprises on all orders. This naturally relieved a great deal of pressure on the Enterprises.

caused by the great demand for goods and the inability to obtain sufficient quantities quickly.

A second general store was opened on November 21, 1942 in the administration block. It was temporarily managed by Jiro Omata, later to become a member of the trust and Chief Buyer for the Cooperative. The office of the Enterprises was moved into the rear half of the new store along with the accounting department. The warehouse was established close to store #2 and was managed by Mr. Henry Kebo.

During the first period of development, the chief problems seem to have been the slowness of business development and a rather passive attitude on the part of WRA on the subject of furthering the organization of a cooperative. Until a superintendent was assigned to the project, practically all cooperative activity received its stimulus from among the evacuees. It is with this in mind that we now turn to the more significant developments, the organization of the trust and the final organization of the Cooperative.

PERIOD OF TRUST OPERATION

It should be pointed out that these periods overlap a great deal. For example, there are phases of both the trust period and the Cooperative Organization period

present in the initial period of WRA operation. The trust was not formerly organized until December 11 but its inception goes back to the very beginning of the center and even into the Assembly Centers. At the Assembly Centers there was talk of organizing Cooperative Enterprises or some other method of operating the enterprises in the interest of the evacuees. In the Fresno Assembly Center, under the leadership of one Kiyoshi Hamanaka, a series of seminars on the subject of Relocation Center Cooperatives actually took place. At the Santa Anita Assembly Center a lesser degree of education took place, but there was enough to plant the seed of interest in the minds of the evacuees. As a result, upon arrival at the Jerome Center, there gradually developed a movement among the evacuees for greater participation on their part in the operation of the enterprises and their actually taking over at some future time.

This movement was largely an Issei movement and it centered around grievances about the high prices of merchandise, the nature of the merchandise, (a tendency toward purchase of luxury goods), the deep concern over the disposition of profits, and the desire to assume control over the entire operation. This matter was

discussed at Block Managers' meetings and the group gradually evolved the plan to approach the administration in order to obtain an answer to some of their questions. Some credit should go to Mr. Kiyoshi Hamanaka for giving impetus to some of this activity. Although his attempts at establishing Co-op seminars were not as successful as they had been at the Assembly Center, he did make an impression on some important leaders and was able, through the large amount of written material he had collected on the subject of Cooperatives, to enable these leaders to become well informed and capable of carrying the cooperative idea to the people.

One of these men, Katsujiro Iseri, was to be a member of the trust and later the President of the Cooperative. Another, Ryuichi Murakami, was to become the General Manager under the trust and later General Manager of the Cooperative. Mr. Iseri and others interested in the trust idea were at the same time Block Managers so there was general fusing of the strictly Cooperative idea and the other ideas tending toward criticism of the enterprises, both coming from within the Block Managers organization. After some discus-

sion in this group of the problems relative to Community Enterprises, a joint committee representing the Block Managers and Community Enterprises met and decided to carry on certain negotiations with the Center Administration leading to the formation of a legal group responsible for the operation of the Enterprises. The Joint Meeting took place in mid-November and toward the end of the month, this committee met with Mr. Taylor, Project Director, and the appointed superintendent and came to an agreement on final policy. The idea of creating a trust was of course thoroughly discussed and it was agreed that the committee should submit a list of names to Mr. Taylor from which he could select five persons, who would constitute the membership of the trust or interim consultative body of the enterprises. The list was soon submitted by the committee and Mr. Taylor selected the following persons as trustees: Ryuichi Murakami, Kaoru Kamikawa, Jiro Omata, Hakichi Shintani and Kanichi Komoto. This group of men were to serve as the legal directors of the enterprises until the Cooperative assumed control in August 1943. It was Mr. Murakami's function to serve as General Manager under a trust system.

Though the Trust was organized because of the need

for a legally responsible group, it should not be assumed that the Trust completely "took over" operations immediately. These men did not represent the people of the center on a democratic basis and therefore it was difficult for them to consider themselves as the sold retainers of power in the operation of the enterprises. Also, until the arrival of a new superintendent in January, 1943, there was considerable conflict between the Trust members and the succession of Superintendents over basic policies, mostly in the field of buying. The complicated problems of establishing and expanding a retail economy for a city of 7,500 and at the same time doing it in such a way that it would gradually come under the control of the residents on a democratic basis were probably beyond the average businessman's experience.

There are few people trained in the field of group leadership and the techniques of developing leadership and getting people to make a bid voluntarily for that leadership. There is evidence that WRA was too slow in the all important job of delegating responsibilities.

Under the Trust, the period of rather slow development of enterprises was speeded up. This was possible because the Trust gave more appearance of evacuee control and operation and was able to diffuse the more vocal opposition to expansion. By January 1, the new dry goods store had been established, a school supplies department set up in the existing stores, a laundry operation begun on a hand operation basis, a radio repair shop opened up and arrangements made for an additional mail order service through the Chicago Mail Order Co. The number of employees by this time had reached forty-five.

An acting superintendent resigned in the early part of February. A temporary appointee arrived the latter part of March, and stayed until June 21, 1943. Another appointee reported on duty officially on March 1, 1943, but it appears that he was on detail from the Washington office sometime previous to that, possibly early January. Between January 1 and March 31, four new departments had been established under the direction of the Trust. These include the movie department

which started in March and whose personnel travelled from mess hall to mess hall showing pictures; the two shoe repair shops which opened in February; the barber shop, started in March; and the film department agency which began operation during the same month. Ninety three persons were required to operate these enterprises. There was also started in late January the Western Union Telegram Agency which handled all private demands for incoming and outgoing wires.

The degree to which the Trust was allowed to make most of the decisions for the enterprises was increasing at a much faster rate than had been true of the earlier periods. Responsibility and interest was being developed among the Trust members, so that the transition from the Trust operation to the assumption of control by the Cooperative in August was a relatively simple one.

Although great progress had been made in the establishment of new enterprises in the period March

1 to June 30, it should be pointed out that there were, on the other hand, very important problems to be met and solved. For example, in Shoe Shop #1 it was necessary to displace a manager which resulted in a general sit down. Although the strike was settled rather rapidly, it was important from the point of view of indicating the difficulties presented to an organization even as far along the road to democratic operation as was the Trust. Again, there was the problem of decline in volume in all enterprises due to the relocation program and other reasons. The Mail Order Department underwent a considerable decline after March. One of the main reasons for this was that the relationship between the Cooperatives and the two main mail order houses was not good. Although the mail order houses concluded an agreement with the Cooperative for certain commissions, it appears that they constantly gave the Cooperative poorer service than they made available to individuals in the Center who carried on business with the mail order houses directly. There was also a considerable drop of volume in the mail order business because of the constantly increasing shortage of mer-

chandise. Shortage of space for operations was, of course, a particularly important problem during this period, and in some cases resulted in more progressive policies of remodeling. Store No. 2 was remodeled during this period, expanding from a general merchandise store handling only a very limited variety of items to a general merchandise and variety store. The War Production Board restrictions on the use of critical materials naturally had its effect upon some types of enterprises contemplated by the Trust. Because of the delay in obtaining WPB approval, the Trust's plans for the operation of a Beauty Shop and a second barber shop were indefinitely postponed, even though all supplies and equipment had been purchased.

One of the most difficult problems was the operation of the laundry. This operation began in November, 1942, with poor equipment and only hand operation. As though this was not enough to withstand, the operation had to struggle along under an incompetent manager. As a result, there was substantial loss of clothing and linen, and a rather high degree of labor turnover. It has been said by one of the Trust that it was impossible to tell whether the people

coming to work for the laundry in the morning would be there to report for work in the afternoon, largely because of the lack of equipment and the psychological frustration of working under a manager for whom they had no respect. However, in late January it was possible to obtain the proper equipment and at this time a change in management was made. Up to this time the laundry had not shown a profit and was probably the most difficult operational problem the Trust had had to face. After the change in management and the installation of modern equipment, the laundry showed a consistently profitable operation.

The barber shop, good like its counterpart at any Center, was consistently in difficulty because of the great amount of competing private enterprise. This was due, of course, to the fact that it was not difficult for a barber to practice his trade at home, carrying necessary equipment from the shop each night. There was also, as in other centers, a reluctance on the part of the project administration to enforce all the regulations relating to private enterprise. Finally, the difficulty of obtaining additional space quickly for expansion in the barber trade made it difficult to meet the demands of the consumers, and therefore difficult

to ask for an order restricting the operations of private barbers. The barber shop continued to operate on a relatively efficient basis but the private enterprise problem was never solved even under the control of the Cooperative up to and including the liquidation of the enterprise. This must be pointed to as one of the outstanding failures of the Cooperative and Trust program in this Center and other Centers.

It is interesting to know also the problems presented by the limitations of center life. The third quarter report on Community Enterprises for the period March 1 to June 30, 1943 states; "The radio shop program has been coming along fairly well. There was a slight drop in one month in business because the manager in that department was bitten by a snake. However, since his recovery, the volume of business had increased considerably. Too, one runs across repeated references to the difficulties confronting the evacuees in the organization of their Cooperative as well as in the operation of the enterprises because of the necessity for all to participate in the wood cutting program of the Center. It appears that the greatest concentration of effort on this particular program was during the winter months.

Finally there appears to have been considerable reluctance on the part of some of the larger wholesalers to deal with the Trust. This was probably due to the fact that, in as much as the enterprises had not as yet accumulated enough capital to make its financial condition appear adequate, large wholesalers were reluctant to deal with them on a large scale. This problem was to be solved quickly when the Cooperative, after its membership campaign, was able to present a more adequate capital structure to the outside world.

ORGANIZATIONAL STAGE

The date of official incorporation of Jerome Cooperative Enterprises was July 1, 1943. However, there were other matters to be disposed of, such as permission to operate in the State of Arkansas, and it was not until September 2, 1943, that the first meeting of the permanent Board of Directors took place. Therefore, it will be necessary to discuss fully the development of the Cooperative Organization.

As has been pointed out previously, Kiyoshi Hamanaka, a young nisei, played an important role

in the inception of the Cooperative idea at Jerome, not only because of his activities in the Assembly Center but because of his influence on the minds of certain important issei leaders. Mr. Hamanaka was notably unsuccessful, however, in more general educational and organizational activities. His efforts at establishing co-op seminars were singularly unsuccessful and he was unable to approach the issei in large numbers because of the language barrier, and because of their attitude toward him, personally. However, he was able to organize some large meetings where the subject of cooperatives was tied into other matters such as post-war reconstruction. It should be pointed out that Mr. Hamanaka was a conscientious objector to war, which was probably of primary importance in explaining the rather broad opposition to his personality among the evacuees. He was a purist when it came to an interpretation of pacifism, and as a result he was constantly confronted with some rather difficult personal issues to solve in the type of communal existence characteristic of center life. Too, Mr. Hamanaka was academic and theoretical in the extreme, which was not a characteristic to endear him either to prac-

tical and business-conscious issei nor to more indifferent nisei.

With the organization of the Trust in early December and with the increasing interest taken by the people in the subject of Community Enterprises, it was quite natural that there should be a conflict over policy to be followed in developing the Cooperative organization. Hamanaka felt that a thorough educational program was necessary before any definite co-op organization be allowed to develop. He may have received some support from some of the Superintendents in this stand, but there is little evidence that this was the case in general. Mr. Iseri represented the other point of view, held largely by the issei, that the matter of primary importance was the organization of the Cooperative and that education could wait until the organization had been completed and stabilized. As it happened, Mr. Hamanaka was employed as assistant to the superintendent in Cooperative Education and the organizational phase was pushed as rapidly as possible. However, it is obvious that Hamanaka was not in a position to exercise much influence because of his conflict with the issei.

Of course, while the evacuee leaders were organizing toward the time the Trust would soon control, they had managed to mobilize a fairly interested group of people (termed delegates) made up of block managers, people elected from the blocks or appointed by block managers, and some of the people in Community Enterprises. It appears that as early as November, 1942, these people were making plans for the final consummation of the Trust and the eventual organization of a cooperative association.

In December they were concerned with such problems as the division of representation between nisei and issei, and whether or not to add block manager delegates to the Cooperative Organization. Finally they decided to carry the problem to the blocks to discover whether the people were interested in organizing a Cooperative. It was not until Mr. Erkkila arrived, however, that the educational and organizational program got into full swing. There is evidence of this in the records which indicate that much more active discussion was going on in all meetings about Cooperative methods and techniques and that the importance of a basic educational program was receiving more attention.

The superintendent's active sponsorship of the entire Cooperative program coupled with his interests in Cooperative education probably bridged to a large extent the conflict as to whether education or immediate organization should come first.

Foremost in his developing program was the organization of an educational and organizational committee of the Trust which, after some deliberation, came forward with a program of active block meetings for the purpose of informing the people of the proposed Cooperative, its structure, functions, and the reasons for its becoming a reality. The program of block meetings was evidently conducted by four persons--Mr. Iseri, Mr. Murakami, Mr. Kamikawa, and Mr. Ikeda with the superintendent usually in attendance. There is no doubt that, as far as public sentiment in the Center toward the proposed idea of cooperation was concerned, the long hours spent by these four men in explaining the Cooperative to the people were the most productive of any single factor contributing to the organization of the Cooperative. The job of organizing was probably the outstanding job performed by anyone. Full credit should certainly be given to these men for remarkable accomplishments. The program had for its purpose not only the explanation of the

Cooperative program but also the solicitation of membership capital as well as investment capital. Probably the greatest measure of the success of this campaign can be measured by the fact that on later financial statements membership capital was listed at approximately \$25,000. It gave the Jerome Cooperative probably the strongest financial structure of any of the Center cooperatives.

Although this activity probably was the most dominant one in the early part of 1943, it should be remembered that an advanced type of education for co-op leaders and co-op employees was not neglected. A series of classes was organized for the general population in which the superintendent explained the philosophy and practices of the Cooperative movement and described case studies of Cooperative movements in other countries. These classes usually had as many as 30 people in attendance. Though small, they were of particular significance because of the intensive training given to the potential leadership of the Cooperative. The classes for co-op employees were usually given during working hours and as a result the attendance was much larger. These classes, although involved in discussions of cooperative philosophy and practices, also

gave a considerable amount of time to the study of cooperative distribution practices and merchandizing. It should be noted that education of the employees was quite important from the point of view of final transition from the Trust to the Cooperative. In some Centers this was not a smooth transition because no employee classes were held and, therefore, the employees naturally looked upon new Cooperative organization as usurper of their vested rights and was resisted by the employees.

By the end of January, the plans for organizing the Cooperative were well developed and some had already been put into effect. Co-op classes were given to people considered to be of high calibre among employees and others interested in becoming active in the organization. All of the educational programs were pursued actively for the next few months, and culminated in the final incorporation of the co-op association. There was also very active work done on the part of the delegate group and other committees. The educational committee was very active and constantly discussed the progress of the organizational campaign, and made whatever changes were necessary so that the campaign could go forward. There was a Committee on Law which went into the subject of the organizational papers of the Cooperative, constitution, by-laws, laws of incorporation, etc.

As final section on obtaining incorporation papers drew closer, and it appeared that the Trust was making arrangements to turn over the enterprises, it became even more urgent to bring about a fusion of the rising cooperative organization with the existing members of the Trust. It appears that the Trust gradually gave way to a more active Congress of Delegates and finally to a

temporary Board of Directors. Some of the same people who had been members of the Trust were elected to the temporary Board and its membership was expanded to include others. The first meeting of the temporary Board of Directors took place on April 26, 1943. For all practical purposes, the Cooperative assumed responsibility as of this date although it was not actually recognized by the District of Columbia (place of incorporation) until July 1st. A series of joint meetings of the educational committee of the Temporary Board and the organization committee was called to arrange the final steps leading to incorporation. Another interesting device at this stage of development was the joint meeting between the Trust members and the Temporary Board of Directors, which reflects the careful planning done to cushion the transition from Trust to Cooperative. As the day for final organization of the Cooperative drew closer, it was evident that a certain resistance toward WRA supervision was developing among the leaders. This was probably due to the fact that they were soon to take on full responsibility for the operation of the enterprises and that this responsibility made them much more exacting in their relationship with the WRA. This is particularly true in the

discussion going on during this time over the proposed operating agreement between the WRA and the Co-op. The Co-op, as in many of the other Centers, was opposed to having to pay space rental charges included in the operating agreement and to payment of clothing allowances to employees. This issue was particularly important because it brought into focus the whole situation with respect to evacuee attitudes. The evacuees looked upon WRA's payment of rent, and of clothing allowance, even in the case of the Co-op, as a means of partial reimbursement for economic losses caused by evacuation. The argument of WRA was that in order to have complete autonomy for the Cooperative in the Centers, it was necessary for it to be as self-sufficient as possible. It appears from the record that the Co-op leaders, in retrospect, agree that the WRA position on these matters was right and that the money paid for rental, etc., is a very small price to pay for the large scale autonomy and democracy the Co-op has enjoyed. The difficulties attendant upon the matter of the operating agreement had been disposed of, so that by July all the many forces leading to the final organization of the Cooperative had been unified and the organization was completed.

No story of the development of the Jerome Cooperative would be complete without some comment about the important leaders and employees of the organization. The role of Kiyoshi Hamanaka has already been discussed at some length. His was never a sustained role but always one in which his ideas affected other leaders. If some of them were broadminded enough to overlook what they might consider his idiosyncracies for a rather brilliant mind, they could profit immeasurably. One of the men who could do this was Katsujiro Iseri, President of the Cooperative, member of the Trust and chief "stormy petrel" of the organization. Mr. Iseri, a former drug-gest and watch repairman from Los Angeles, was a very sincere man, single-minded (some would call him obstinate and stubborn), eager and quick to learn, purposeful and with a deep feeling for the general welfare of his people. In the early days of the organization of the Cooperative, he was suspected of feathering his own nest, but as time went on and the cooperative idea proved itself to the people, the respect with which they regarded him increased significantly. Among the people, he is looked to as the outstanding authority on cooperatives at the center and certainly no one has even dared to challenge his status as President. Iseri's strength of

character and sincerity has also been his weakness, however, One can find considerable sentiment among the general population, as well as among Co-op employees, to the effect that Iseri tends at times to be dictatorial in his attitude, and that it is difficult to change his mind once it is made up. This accounts for the relative ineptness of the Congress of Delegates, which after all, should be the body that sets the general, over-all policy of the organization. This situation has naturally had a deterring effect on the development of new leadership and the rise of a more full-blown democratic organization. However, in all fairness it must be said that liquidation brought the life of the Co-op to its end prematurely inasmuch as there were signs that this particular difficulty was being solved through a change in structure in the organization. It is certain that, had there been more time for the organization to continue operation, the increasing emphasis on education, the increasing study of needed enterprises, the more active participation of the Congress of Delegates in the formation of policy would have made Iseri's personality less important and would have allowed him to make contributions to the progress of the organization more in line with his real importance as compared to that of other leaders.

Let it not be thought, however, that the organization suffered greatly from Mr. Iseri's personality or that the conflict with certain fairly substantial groups took on a shape that threatened to split the organization. The only result was the holding up of complete democratization longer than should have been necessary. It probably was quite necessary that the organization have a strong man--with intelligence--in the early periods of development to give it strength. And the strength of Iseri's personality did not mean that he was surrounded by mediocre men, as is the case so often with organizations which are dominated by one man's personality.

An excellent proof of this can be seen in Ryuichi Murakami, General Manager under the Trust and the Cooperative. Murakami, a former manager of a Japanese importing establishment in Los Angeles, was an excellent choice for General Manager. In the words of one young Nisei, "His character is as smooth and wide and deep as a great river." Because of this, Murakami was an excellent person to work with Iseri. He could change Iseri's mind on important matters and had stabilizing effect on Iseri's more excitable and dominant personality. There were many blunt statements of policy made by Iseri, both to employees and members, which Murakami was able to neu-

tralize and make palatable to the people by his smoother approach. But Iseri was full of ideas and plans, and there is little doubt that he had a very full effect on Murakami's mind. If there ever was an example of the process called the "cross-fertilization of minds", the interaction between Murakami and Iseri is certainly a case. Finally, Murakami was an excellent Business Manager in the technical sense. His knowledge of accounting was advanced enough so that he could constantly analyze the development of the organization and keep his finger on the progress of its various units. His soft spoken manner and kindly attitude contributed much to the respect with which employees and members alike held him. There appears to have been little occasion to challenge Murakami's authority, and certainly there never has been any attempt to unseat him.

The only justifiable criticism which can be levelled at these men is that they tended to interpret the cooperative in a "Japanized" way. This took many forms. Their attitude toward collective bargaining and employee organization was very paternalistic and reached back to their days as private enterprisers. However, it probably stemmed more directly from Japanese custom than from their American experience, because it showed itself in the

constant desire to "smooth things over" superficially even though there may have been an employee problem of an extreme nature which called for a more frank and open treatment. The constant attempts of George Abe, young nisei Assistant Manager (Field), to develop a real employees' organization out of the Co-op Club (originally set up for employees, Board Members and Congress of Delegates) was neatly and constantly rebuffed by the management. This organization could have played a significant part in co-op education, in establishing even greater rapport between the Co-op and the general population, and in giving the employees a part in the operation of the enterprises which they did not have. Another phase of this "Japanized" attitude was their general attitude toward the War Relocation Authority and in particular toward the relocation program. Their attitude toward the WRA was, in fact, bitter on many occasions because of what they considered "non-cooperation" on the part of the project administration, but it was not particularly unhealthy. This attitude, however, did tend to maintain the idea of the Japanese community in this country as differentiated from the nisei demand for assimilation. Although the nisei were derelict in their responsibilities to the Co-op at Jerome, it is pretty apparent that there was no real ef-

fort on the part of the issei leadership to create a cultural situation in the co-op where the niseis could operate except as employees. The co-op as applied to relocation, was interpreted as meaning, "The co-op has taught us one thing: we must stick together for strength;; no one is going to help us, the cooperative idea is something we shall have to use in post war years." This was certainly an advance in thought over the individualistic attitude of pre-war days, but it was swinging the evacuees back into a segregated type of thinking which the cooperative movement in this country deplors and does not accept. It is hoped, that with relocation and closer contact with the cooperative movement, these men will come to realize the importance of this movement rather as an instrument for their assimilation.

It was after the incorporation of the Cooperative that its ultimate structure finally took shape. The Congress of Delegates, of course, was the popular representative body of the organization, the Delegates having been elected to their posts by the respective members of each block, the number of delegates varying according to the number of members within the block. The Delegates, in turn, elected a Board of Directors of eleven members. This Board, as far as general practice was concerned, actually ran the affairs of the Cooperative.

Although there were regulations in the early days of the Cooperative to the effect that there should be equal representation in the Congress of nisei and issei delegates, it became impossible to maintain a balance because of the relocation of great numbers of nisei leaders, and also because of the "Japanizing" of the Cooperative and the failure to create an atmosphere conducive to greater nisei participation. Some of the nisei were discouraged because of the peculiar philosophy held by others of the Co-op leaders regarding the functions of the Congress of Delegates. Instead of its being developed into a vital part of the organization, it was used primarily to pass on Board actions and acted as a sort of buffer between the Board and the general population. This point of view is supported by the by-laws of the organization, where function of the Congress of Delegates is clearly outlined as that of a rather passive body. The Board, therefore, assumed all policy making and administrative functions and continued to operate on this basis until the final liquidation of the organization. There was a growing tendency, however, to increase the participation of Congress members by the forma-

tion of a large number of committees with a fairly large number of individuals on each. These committees were as follows: legal, finance, auditing, education, merchandising, inventory, personnel, planning of enterprises, and grievance. However laudatory this objective may have been, it did not succeed in all cases because there were too many committees with too little work or responsibility to hold the interest of their members. The committees met and made advisory recommendations to the Board of Directors, and in some cases performed a rather valuable service. The lack of demarkation or the wrong designation of functions between the Board and the Congress continued, however, to be one of the major difficulties in the final organization period. One of the most serious issues which threatened the cohesion of the organization was the exceptance or non-exceptance of membership of the Jerome Cooperative in the Federation of Center Business Enterprises, to whose conference delegates from the Jerome Cooperative had been sent in September, 1943. It was the organizational meeting to set up a buying office to be used by all center business enterprises and to form a federation which would act as a clearing house for information

and general educational activity. Membership in the Federation was a question of broad policy and many of the Delegates felt that it should have come out of the Congress rather than as an action of the Board, to be approved by the Congress. This incident was settled amicably because of the strong position of the Board. However, it was a very good example of the danger of not defining properly the functions of the Board and of the Congress.

The actual operations of the Cooperative tend to divide themselves into three general categories-- general management, fiscal and administrative. Although these divisions were theoretically independent or autonomous, they all tended to come under the jurisdiction of Mr. Murakami as time went on. This was probably necessary in the early stages of the Cooperative to guarantee unity. Mr. Murakami would probably say that the meeting of minds between the three divisions was a direct result of "consultation". But one could not help feel that, because of the strength of Mr. Murakami's personality, his counsel was the one which generally prevailed. It was unfortunate from an organizational point of view that although the general manager was a paid person with full authority to act, the executive secretary (administra-

tive) and treasurer (fiscal) were both honorary offices without pay. As a result, their functions were either neglected as in the case of the executive secretary, or largely taken over by other people on the paid staff with less prestige as in the case of the treasurer's work. The situation in regard to the executive secretary was later partially solved by the appointment of Mr. Teiho Hashida, assistant executive secretary. Mr. Hashida was a former translator for the Tulean Dispatch, Center newspaper of the Tule Lake Center, and editor of the Co-operator, a Cooperative newspaper published by the Tule Lake Cooperative. Mr. Hashida, because of his experience at the Tule Lake Center was able to strengthen greatly the administrative division and to place it on a par with the other divisions. The Co-op News was started soon after his appointment and continued throughout the life of the Jerome Cooperative. Mr. Hashida greatly improved the general record keeping of the organization. As a result, the relationship between members, Delegates, Board of Directors, and employees was much closer, and a greater unity and appreciation of the cooperative movement resulted. Mr. Hashida was also somewhat of an intellectual

and a liberal in his social philosophy. Because of this point of view, his influence upon some of the younger employees and the younger people was rather strong, as he could use the philosophy of the Cooperative movement to bridge the gap between the culture of Japan and this country. Being a well-educated kibeï, it was easier for him to reach both issei and nisei groups.

Bulking large among the accomplishments of the Jerome Cooperative is its system of internal control--the general accounting system, and the system for retail store and warehouse control. The successful operation of these two systems enabled the Cooperative to cut all leakages in stores and elsewhere to a bare minimum and, therefore, to assure its members of an efficient organization. The person responsible for the establishment and operation of the accounting system, Mr. Joseph Araki, is an extremely competent and well educated man, whose hard work and utter sincerity certainly equal the contributions of all the other key men toward the successful operation of the Cooperative. Mr. Araki has the disconcerting habit of being not only extremely forceful in his arguments with other members of the staff but of usu-

ally being right. Although he used his superior skill as a key man to force certain decisions upon the Board of Directors, and at times antagonized other members of the staff by his heavy-handed approach, and though the administration of store personnel under his supervision was not as efficient as it could have been, the fact remains that the accounting system and its operation is probably the most adequate of any of the Center cooperatives, and is therefore a standing tribute to Mr. Araki's ability.

No greater tribute could be made to Mr. Enkichi Shintani than to say that the system of retail and warehouse control instituted by him and operated under his supervision is being copied in other center Cooperatives, and that the Rohwer Cooperative in its reorganization is leaning heavily upon him for advice on the subject. Mr. Shintani is strictly a system man and his reserved personality had little appreciable effect upon other individuals who might have been considered key personnel. He was an extremely efficient accountant, but he did not participate to any large extent in the formation of policy.

The nisei, having been largely neglected in

the representation of the Co-op membership tended to concentrate their activity in another direction. This took the form of a co-op club which was in the beginning a sort of dummy organization for the collection of lost cash register receipt stubs, and open to employees, Delegates, and Board members. But later under the guidance of George Abe, Assistant Manager (field), and Charles Nishi, Personnel, the club developed into a fairly active employees' organization which probably could have made some rather significant contributions to the development of cooperative thinking on the project. Although several attempts were made to foster a really independent organization free from the direction of the Board, they were largely nullified because of the pending closing of the Center. It should be pointed out, however that the thought and initiative necessary to the organization of the club and the discussions with the management have developed an important line of thinking among Nisei, and may be a partial answer to the lack of Nisei participation in the governing bodies of most of the Center Cooperatives. In addition, the club was able to finance some rather important dinner meetings of employees, Delegates and Board mem-

bers, which helped a great deal in establishing rapport. Finally, the publication of a souvenir album by the club will be a contribution remembered by the employees for a long time and may even have its effect upon public relations outside the center. George Abe, Charles Nishi, and Mrs. Josie Ikeda, though perhaps not significant in terms of power or policy formation, should be remembered because they were nisei active in the organization. When the process of being active involved open clashes with issei domination, they were not afraid to face such conflict, and for that reason their contribution to the thinking among Cooperative employees, as well as, Delegates, and Board members is particularly important.

After the formal organization of the Cooperative, its main activities centered around making it work. Although some efforts were made at educational activity it is obvious from reading the records available that this matter was definitely put aside for the more important matters of accustoming the new Board of Directors to its new responsibility and to developing gradually the Congress of Delegates to the place where it could begin to operate in an efficient manner. It was necessary, too, to orient the committees to their work, and make the nice dis-

inction between advisory and authoritative relationships.

The development of new enterprises lagged appreciably in this period, because of the Board's preoccupation with important organizational activity, and because the rate of enterprise growth was naturally levelling off. By March 31 the movie and shoe repair agencies and the barber shop and film developing service had been established.

Shortly after the incorporation of the Cooperative, the appointed personnel became interested in having a store opened which would handle rationed goods since many of the staff families prepared their meals in their apartments.

During discussion on the establishing of such a store, it became evident that many of the staff wanted the store to be limited to staff trade, and that the Co-op leaders felt that to restrict trade to such a small group would be contrary to the democratic principles upon which cooperative philosophy is based. The decision was made in favor of having the store open to all residents of the community, although evacuee Co-op leaders quietly advised the evacuees to stay out of the store during its busiest hours. In spite of the suggestion, evacuees patronized the store, and there was always some antagonism between the appointed personnel customers and the evacuees as long as the store was open.

According to the agreement between the Co-op and the staff, the Co-op invested \$100 in equipment, and space was allotted at one end of the Administrative Recreation Hall, an area about 20' x 20'. Shelves and counters were built in, and the store opened for business on August 17, 1943.

The customers were chiefly housekeepers among the appointed personnel interested in purchasing rationed goods, so that for their convenience of those who were also employed during the day, the store was opened at scheduled irregular hours. Besides rationed goods, which included a

line of canned goods from the Co-op Wholesale in Kansas City, the store carried a variety of refreshments - Coca Cola, smokes, candy and cookies - which attracted casual small-purchase customers, both staff and evacuee. It was through the efforts of one of the administrative staff that a contract was made for the purchase of Coca Cola. Because of the specialized type of merchandise and limited space, the Co-op felt it necessary to have as rapid turnover of goods as possible to cover overhead costs to maintain the store on a paying basis. This point was never adequately or satisfactorily presented to the staff as a whole, although it was one of the principle reasons why evacuee customers were not excluded from trading in the personnel store. Had the staff been entirely aware of this problem, much of the friction regarding evacuees using Store No. 4 might have been eliminated.

The Co-op staffed the store with two clerks and two helpers, young Americanized evacuees who still felt resentment against some of the staff shoppers who were known to be unhappy about evacuee customers in "their store". The clerks tended to lean over backwards in showing that the store did not discriminate against evacuees, sometimes ignoring the staff in favor of the evacuees. Complaints against this procedure were registered with the Superintendent of Business Enterprises, but he did not feel that he had either the time or the authority to handle complaints. The personnel had a representative on the Congress of Delegates who was responsible for carrying complaints to the Congress. Another irritation was due to the fact that the administration had made arrangements for the Coca Cola contract, and frequently the

coke supplies would be exhausted before the personnel evaning trade began.

A small percentage of the appointed personnel were members of the Co-op Organization and had a fairly good understanding of what lay behind such situations, but attempts to carry on a successful program of membership meetings among the appointed personnel failed rather dismally.

The project administration had followed the policy of allowing the Cooperative to develop with as little administrative interference as possible. However, the irritations relative to the establishing of the personnel store had a direct bearing on Co-op WRA relations.

On September 6, 1943, the Cooperative established a check cashing service to accommodate the evacuees, the volume of whose pay checks was amounting to a considerable sum. Shortly thereafter the optical service, operated in conjunction with the optometry clinic at the hospital, was established. The Cooperative handled the financial details and the purchase of needed supplies and repairs. It can be seen from these cases that the period following establishment of the Cooperative was not particularly important from the point of view of either education or the establishment of new enterprises.

There were other developments however, during this period. Most important of these was the calling of an All Center Cooperative Conference in Chicago for the purpose of establishing a buying office in New York City to take over most of the functions of the office operated by the WRA in the interest of the Center Cooperatives. The Jerome Cooperative participated fully in this conference and probably made as many contributions as any of the others represented although they were rather indecisive about joining. The final agreement reached at Chicago provided for the financing by the Cooperatives themselves of three evacuee

buyers, one to receive \$275 per month as head buyer and the other two, \$250 a month as assistant buyers. All other expenses of the buying office, primarily office space, were to be paid by the WRA. Another unplanned for outgrowth of the conference was the formation of a central coordinating organization called the Federation of Center Business Enterprises with its office in the Granada Relocation Center, Colorado. It was to be the function of this organization to present unity of opinion with respect to WRA- co-op relations and to serve as much as possible (through an Executive Secretary) educational advisory in an relationship to the Center Cooperatives.

An important event in the developmental stages of the Jerome Cooperative was the declaration of its first regular patronage rebate in September 30, 1943, and the rendering of an audit report by a representative from the Northwest Cooperative Auditing and Service Association, S.K. Allanne. The dividend, including the 25 per cent reserve set aside and a previous 5% advanced cash refund amounted to approximately 18 per cent indicating a very excellent showing in terms of efficiency. There is indicated in all documents and in personal discussions with evacuees generally that a maturing of the evacuee's attitude toward the Co-op followed the declaration and payment of the rebate, 50 per cent of which was paid in Certificates of Indebtedness. The increased trust with which people looked upon their leaders when the payment was made was extremely important in educational value and probably succeeded in neutralizing much of the opposition to the Cooperative.

The third development can probably be described as educational. There was an increase in discussion of the importance of

an information division which probably resulted in the appointment of Mr. Hashida as assistant executive secretary and his publication of the Co-op news. Also, there was a report at a meeting of the Board of Director on October 29 on a program for a Co-op week celebration which included merchandise exhibits, Co-op movies and field day events. Finally, it should be pointed out that a celebration dinner was held in the early part of December partly to celebrate the anniversary of Community Enterprises but primarily to bid farewell to Mr. Erkkila, popular superintendent who was to report for induction into the United States Navy. The banquet was of some importance in terms of education, especially for those evacuees described as "cooperative leaders".

CONTINUING EDUCATION AND FINAL LIQUIDATION

The final stage in the Cooperative's development, that of continued education and final liquidation, is marked by the arrival on January 6, 1944, of Mr. Don Elberson to act as Superintendent in the vacancy created by Mr. Erkkila's departure. Mr. Elberson had been Superintendent at the Tule Lake project and had, for a short time following his departure from that project in November, been working on a group relocation program along cooperative lines.

Through intimations of the Washington office, it was known by Mr. Elberson shortly after his arrival at the Center that it had been tentatively decided to close Jerome, but this was in no sense a final decision and supposedly it was possible that the decision might be changed. It was necessary for him to carry forward the regular cooperative program, with renewed emphasis on education, but at the same time to move the leaders of the cooperative slowly in the direction of thinking about the possibilities of closing the center without actually disclosing any information which he possessed. Through some discussion of the subject in the Management Committee and among people in key positions on the co-op staff, much of this objective was accomplished. When the official announcement was made, there appears to have been very little bitterness or shock among the co-op leaders, a situation which was partially attributable to the fact that they were prepared, in their thinking, for the eventuality of liquidation.

However, at the time Mr. Erkkila left, there was a substantial growth in thinking among cooperative leaders on the subject of

cooperative education and related subjects. As has been stated, the first concrete manifestation of this thinking was the employment of Mr. Hashida as Asst. Executive Secretary. One of Mr. Hashida's duties was to revitalize the committee system which had become more or less defunct. Some of the Committees were eliminated. Carefully prepared outlines of the functions of each committee were submitted to committee members for study, and both Mr. Iseri and Mr. Elberson met with all the committees in order to orient them toward their work. It was rather surprising to the writer, whose experience with the working of committees in cooperatives has never indicated to him very forcibly what the contribution of the committee system might be, to find that the committees were attacking their work with a great deal of interest at well-attended meetings and developing some very interesting programs. Perhaps it will serve to bring this point out more sharply by indicating a few results of these meetings. The Educational and Employee Relations Committees discussed at length the subject of employee training and came forth with a combined program of: (1) correspondence courses in cooperatives, (2) in-service training or an apprenticeship program utilizing all the facilities of the Enterprises, (3) retraining of employees in special classes, in cooperation with the Adult Education Department; (4) a special program of vocational guidance, to be supervised by the Center Vocational Advisor. The New Enterprises Committee did some rather intensive work in studying the establishment of enterprises which would fill the needs of the evacuees, rid the center of inefficiently operated private enterprises and dovetail with the proposed training program.

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Two enterprises, a proposed dental service and a photography service, were ready for initiation sometime in February, but were never started because of the center closing.

The By-laws Committee decided to do some work on amending the by-laws of the Jerome Cooperative, and also made known to the Federation of Center Business Enterprises their suggestions for changes in the proposed by-laws of that organization. Finally they had some very active discussions on the subject of the respective spheres of action of both the Board of Directors and the Congress of Delegates. This discussion was very free and open and had it not been for the closing of the Center there would undoubtedly have been a reorganization of the political structure of the Cooperative to enable the Congress of Delegates to become more and more the general policy determining body of the Cooperative.

Perhaps the most active committee during the period before the announcement of the closing of the Center and even active after that time was the Education Committee. They met regularly once a week and the discussions were long and rather thorough. Out of this committee came the plan for the financing of "Co-op Nights" in the various blocks, the money to be allocated to each block Delegate to work out his program according to block needs, and in cooperation with the central co-op office. The committee was also active in establishing relationships with both the elementary school and the high school. Their activities resulted in the establishment of a grade co-op and soon definitely headed

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toward the final organization of a proposed high school cooperative. In addition, funds were allocated to the school both for a scholarship fund and a contribution toward the financing of the high school annual. The committee was also responsible for the publication of the "Jinmeiroku", (center Residents' Address Book.) This book includes various kinds of data about center residents, as well as messages from cooperative leaders and a chronicle of events at the Jerome Center. Approximately fifteen people were employed in the completion of this publication.

The beauty shop which was opened the early part of January had a small share in the educational program by holding a hair style fashion show during the latter part of the month. Though the shop was very short of competent help and many of the girls were mere apprentices, comments from all people attending the fashion show indicated that they felt a great deal of progress had been made in training these girls. Sometime after the liquidation process was well under way, the Cooperative sponsored an Issei night farewell program, a sort of goodbye to those people who were leaving for Tule Lake, as well as a final entertainment because of the closing of the center. This "Sayonara" program was held May 5 and 6 and consisted primarily of classic and modern Japanese drama with many skits interspersed throughout the program, and short speeches on the Cooperative by Mr. Iseri, Mr. Arne and Mr. Elberson. The Go-on News, under the direction of Frank Nishida, a former employee of the Tulean Dispatch, became a regular bi-weekly newspaper and became fairly important in educational terms in telling the story of the Cooperative. It is also interesting to

note that the social message which it carried occasionally brought criticism from some of the conservative businessmen on the Board of Directors, but that the conflict over this issue was always resolved in favor of the more liberal elements on the Board.

The important conclusion to be reached about the educational program was that it had been developed entirely by the Co-op leaders themselves and did not follow generally any plan established by the Superintendent or by other cooperative organizations. Though it was somewhat spectacular and its thought processes not too profound, it touched a large number of people, and the writer is not sure but what that type of educational program is more conducive to right feeling about the co-op in the centers than the more restricted study-group type of program.

On February 22, 1944, it was announced that the Department of Interior had made the decision to close the Jerome Relocation Center by June 30. A special meeting of the Board of Directors was called immediately, and a general discussion was held. The General Management was instructed to send wires immediately cancelling all advance orders, and to purchase in the future only essential merchandise. In addition, it was decided that all membership capital in excess of \$5 per member would be repurchased by the Cooperative as the first move in the direction of redeeming all outstanding indebtedness. The Board meeting of February 24, 1944, was of even greater importance because some major decisions were made with respect to liquidation policy. The major decision was the establishment of a tentative date of March 31, 1944 as the final date for operation of business. Inasmuch as

the establishment of this date later was the basis for a rather critical attitude toward the Cooperative on the part of project administration, it is important that the basic reasons for this decision be outlined. (1) Due to the ever present element of skepticism in evacuee philosophy, especially with respect to money matters, it was thought to be necessary to liquidate all indebtedness to members prior to their leaving the Center. This is basic to all discussion of the liquidation policy because it not only represented the feeling of the Board of Directors and the Congress of Delegates, but probably was a popular decision. It was felt that it would be difficult to recruit people who were to remain behind and finish the liquidation proceedings, and that the attitude of the evacuees toward the cooperative movement would be much healthier if all proceeds could be paid out prior to their departure. (2) Based upon an estimate of the Chief Accountant of the Cooperative, it appeared that, assuming complete control over all liquidation income by a certain date, it would take 45 days to complete closing the books and distributing the proceeds. It appears that, in retrospect, this analysis was substantially correct.

(3) A plan eventually developed in cooperation with the Rohwer Cooperative Enterprises for the operation of a skeleton enterprises organization during the period of non-operation by the Jerome Cooperative. This plan resulted in the operation by the Rohwer Cooperative of one store, one shoe repair shop, and a few other essential services.

Following the direction of the Board of Directors to proceed with the liquidation process as rapidly as possible, the

management immediately announced a liquidation sale which was to last until the tentative closing date in order that the evacuee population would be able to take advantage of the opportunity to stock up on goods at reduced prices, and at the same time have a hand in helping dispose of the goods so that as little outside sales as possible would be necessary. Generally, this sale meant a 15% reduction in prices, and was successful in reducing the inventory from approximately \$73,000 at the end of February to approximately \$25,000 by April 1, 1944. There were some outside sales in this amount, but they are of no particular significance. The amount of merchandise sold could probably have been increased except for the fact that the evacuees were not completely convinced that the management would not extend the closing date and reduce the prices again to sell more. Besides, the prospect of the Rohwer Cooperative operating a skeleton establishment was not particularly conducive to large scale buying on the part of the evacuees. Toward the end of March, Mr. Otto Rossman and Mr. George Ishiyama of the New York Business Enterprises Office arrived to aid in the liquidation process. They recommended the extension of the closing date to April 15 and a further reduction of prices to actual cost. This action, along with more active selling to outside buyers, reduced the merchandise inventory to \$1,560 and the Fixtures and Equipment Inventory to \$4,800 by April 25. These amounts were drastically reduced by the end of the month, so that only minor amounts of merchandise and equipment were left to be disposed of.

The aspect of inter-project Co-op collaboration, although not accounting for as large an amount of merchandise as the liquidation sale by any means, is important not only with respect to

future liquidation but also because it helped in disposing of some goods which bulked rather large in the Jerome inventory and for which adequate offers had not been received. The major elements in this material were a large shipment of soap (bulk), most of the office equipment and cash registers, and the Beauty Shop and Shoe Repair Equipment. Mr. Rossman and Mr. Ishiyama attended the Center Co-op Conference at the Granada Center in the first week in April, and were able to prepare the ground work for the eventual purchase of this merchandise and equipment by several center co-ops at adequate prices. This example of inter-project cooperation was quite significant and certainly should be developed in any future liquidations.

The relationship with the Rohwer Co-op represents a case by itself. The President and General Manager of the Jerome Cooperative were discussing the subject of large scale purchase by the Rohwer Co-op with the officers of that organization as early as March 4 and at the Board meeting of March 10. A special Negotiation Committee representing the Jerome Board was appointed to develop a workable plan in conjunction with a similar committee representing the Rohwer Board. With Mr. Kossman and Mr. Ishiyama participating, a strenuous effort was made to reach an agreement on the purchase of most of the remaining merchandise and equipment and the operation by the Rohwer Co-op with the closing of Jerome of the skeleton organization. On March 30, the Jerome Cooperative made a definite proposal which included the following terms:

1. Jerome to continue operation until April 10.
2. Jerome to dispose of soap inventory.

3. Jerome willing to sell remainder of merchandise at 35% off sales price, including the soap.
4. Rohwer to assume operation of at least one store and one shoe repair shop.
5. Jerome to furnish the necessary employees to run the establishment.
6. Rohwer to buy all material at the Shoe Repair Shop at 10% below cost.
7. Rohwer to pay rent for shoe repair equipment.
8. Rohwer to pay rent on all space.

Though Mr. Rossman seemed to think there was virtual agreement on this program between the two organizations, Mr. Iseri reported to his Board on April 6 that the plan had failed. The operation of the skeleton organization was to take place, but the Rohwer Co-op's purchase of shoe repair materials and preferred equipment and fixtures was still pending. These were purchased however, soon after the skeleton operation began.

Though there were those who believed that there was available sufficient loan funds in local banks for the financing of the above outlined program, in retrospect it would appear that the program had really little chance for success. Fundamental to an understanding of this situation is the realization that fear played an important part in the thinking of the Rohwer Co-op people. Their organization had just passed through a complete political upheaval which had shaken the organization to its foundations. To make matters worse, they had never fully taken over the operation of the enterprises. Finally, its financial condition and general

efficiency was the lowest of any center co-op. There should be little wonder then, that there was a great fear on the part of the Rohwer Co-op people toward the whole plan, even that part dealing with the operation of the skeleton organization. It is interesting to note that the Rohwer Co-op management was so skeptical of this operation that they only stocked the store well enough for a half day's operation. The large business which they were able to do - between \$700 and \$1,000 a day - gave them confidence in themselves and eventually resulted in their making purchases of Beauty Shop Equipment, Shoe Repair Equipment, truck, and a large amount of the merchandise left. It is evident that just the short contact the Rohwer management had with the Jerome management resulted in increasing the former's confidence in themselves tremendously and probably will have some important effects in the reorganization of the Rohwer Cooperative. As for the Jerome Cooperative, most of the original program was carried out, but more indirectly and over a longer period of time, which made their job more difficult.

From the financial standpoint, the liquidation process was a definite success. All membership investment has been paid off, the patronage rebate for 1944 (12.5%) has been paid, all outstanding membership equities left over from 1943 have been met, all creditors have been paid, and 70% of the General Reserve is being paid to members. The rest of the General Reserve will be used to meet the expenses of liquidation which will range somewhere between \$10,000 and \$15,000. Besides, a substantial amount of money was paid out in liquidation gifts to employees because of the long hours worked by them during the liquidation period. When this latter fact is taken into consideration, it probably can be said that no liquidation

loss was actually sustained - that is, in terms of cost and results obtained through liquidation of indebtedness. In other words, if the merchandise gifts had not been made and all unnecessary employees were immediately terminated, all indebtedness would have been paid out 100%. However, this decision with reference to the employees was a thoroughly democratic one on the part of the Congress of Delegates, and was certainly morally right considering the great contribution made by them to the successful liquidation of the Co-op.

Besides the disposal of merchandise, there were other problems incident to liquidation which had to be handled and these involved adequate notice to the appropriate departments in the state government, Federal Government, and the Dist. of Columbia. The Cooperative leaders were particularly fortunate in having the able assistance of Mr. Jack Curtis, Rohwer Project Attorney, in carrying out these arrangements. As a result, all legal conditions for dissolution have been met, and, effective June 10, 1944, Jerome Cooperative Enterprises will cease to exist.

CONCLUSION

It is very difficult for a person to evaluate fairly the cooperative program at a center when he has not been involved in most of the active life of the organization, and yet has been deeply involved in its last phases. However, taking into consideration this definite limitation, it probably is possible to make some fairly accurate observations.

The progress of the Jerome Cooperative represents, without doubt, the greatest extension of progressive democracy within the center. A great part of this was attributable to intelligent WRA

policy in this regard. However, policy without adequate personnel could not have brought the same results. Too, from all that can be observed, prominent project officials were either sympathetic toward the cooperative or preferred to maintain a strictly "hands off" attitude. Thus, though WRA- Co-op relations underwent many stresses and strains during the history of the center due to the strength of the personalities on both sides, it is significant that no very real difficulty arose during the life of the Cooperative on this point.

Economically, the Cooperative was exceptionally strong and in this is its greatest claim to success. Over the entire period of its operation it returned to its members approximately \$115,600 in dividends. Compared with other center co-ops its mark-up was average, its ratio of expenses to sales among the top three, and the resulting net income the greatest of all. It is quite evident then that the large dividend payment represented something more than a mere mark-up policy. The capital structure of the organization, over a long period, is the finest of all of the center cooperatives. Much of this financial and operating success must be attributed to the group of capable business men attracted to the cooperative organization. The writer is told that much of this is a result of a conscious policy of the project administration to see that the most competent people in business lines were assigned to the offices of Community Enterprises before a cooperative was formed.

On the other hand, the Cooperative's economic strength is at the same time a weakness, in that it has been bought at the expense of political backwardness. The greater knowledge of Mr. Iseri, the superior business acumen of Mr. Murakami, to mention only these two, had the effect of showing the active participation

of others just as eager to learn but who were not willing to create an issue as a means toward learning. Iseri dominated the scene by the sheer force of his superior knowledge, sincerity and conversational ability. He did not understand the technique of getting others to introduce some of his proposals or to do some of his fighting for him. As a result, most of the proposals were his and there was a reluctance on the part of others to debate issues vigorously because they felt that they would be showing a lack of appreciation for Iseri's efforts. There were indications that this situation was changing in the later stages of the history of the organization - the struggle for position between management and leaders of the Co-op club, the more intelligent discussion of political problems within the organization, the gradual growth in strength in the Congress of Delegates especially during the liquidation process - all of which point to a sort of insurgent feeling, both among employees and lesser Co-op leaders, which was pointing to the fact that a much broader base was developing for the cooperative program at Jerome. And this, in a sense, is what makes the Jerome Cooperative a successful organization, in spite of its political weakness. Many a cooperative, so dominated by the personality of one man, would have atrophied its membership and "little leaders" losing interest, and would probably have either failed, or developed into a private business with a cooperative name.

Related to the subject of political weakness is education. The only real educational program in operation was that in connection with organizing the cooperative, which naturally tended to die once its purpose was accomplished. That program was largely in terms of self-interest and the general social implications of the movement were

not controlling factors in encouraging the people to organize. The later educational program, started under Mr. Elberson's supervision, was at best superficial and not likely to make a deep impression on the mass of members. It is a question, however, whether, because of the peculiar nature of the centers, this superficial approach is not conducive to better results because it has a larger mass appeal and may bring more people eventually to a deeper understanding through more serious activities. At any rate, it is a fact that only a small minority of the Jerome membership have a deep appreciation of the advantages and future possibilities of the cooperative movement; the rest have either been "neutralized" in their attitudes toward the Cooperative, or perhaps feel a sort of favorable attitude toward it because of patronage rebates. The problems of internal politics and education together make up the most important job yet to be done in the WRA Co-op program.

It is interesting to note, however, that when energies were released in specific programs - new enterprises, employee organization, improvement in political organization - there was an active interest among non-leaders and leaders alike in getting adequate facts and taking proper action. This parallels trends of thinking in the American Cooperative movement. The "learning by doing" process, although by no means the only educational program, certainly has many advantages to the study-circle type of education and should be studied more thoroughly.

I have spoken almost entirely of mass considerations, things which are important from a cooperative organization point of view or with respect to the general welfare of all people of Japanese ancestry. However, the Co-op program at Jerome played an important

role in developing individual attitudes. It actually gave them a new insight into current world problems - economic, political and social - and the individual's part in the whole picture. Take for example, Mr. Fujino, a young Kibei, destined for Tule Lake. In making a little speech of goodbye to a Co-op office employees' party, he said:

"The people who used to go to Tule Lake told me that the Co-op was just another arm of the WRA, established to exploit the people and to evade government responsibility. They said the leaders were racketeers and power-mad politicians. I have worked for the Co-op now for some time and wish to say that I think those people were absolutely wrong and that the Co-op is a great thing for us people. The first thing I am going to do when I get to Tule Lake is to join the Co-op there and go to work for it if there is room for me".

This is not the only instance of a Kibei's discovery of democracy through participation in center cooperatives, but it is a vivid example of the importance of the cooperative movement to the whole general process of democratization. And it is an example of the fulfillment of a need - both inside and outside the centers - for ideological guidance, not by indoctrination but by a working association with people and ideas tending toward a greater extension of democracy in this country.

EXTERNAL SECURITY

Executive Order No. 9102, dated March 18, 1942, establishing the War Relocation Authority in the Executive Office of the President of the United States, indicated that "The Department of War and Justice, under the direction of the Secretary of War and the Attorney General, respectively, shall insofar as consistent with the national interest provide such protective, police, and investigational services as the Director (of War Relocation Authority) shall find necessary in connection with activities under this order."

The Memorandum of Agreement between the War Department and War Relocation Authority, dated April 17, 1942, includes the following: "In the interest of the security of the evacuees, relocation sites will be designated by the appropriate military areas, and appropriate restrictions with respect to the rights of evacuees and others to enter, remain in, or leave such areas will be promulgated so that ingress and egress of all persons, including evacuees, will be subject to the control of the responsible Military Commander. Each relocation site will be under Military Police patrol and protection as determined by the War Department. Relocation Centers (Reception Centers) will have a minimum capacity of 5,000 evacuees, (until otherwise agreed to) in order that the number of Military Police required for patrol and protection will be kept at a ,inimum." This memo was signed by M. S. Eisenhower and J. J. McCley.

Orders were issued by the Military on October 1, 1942, for permanent change of station of three officers and 122 enlisted men from Camp Livingston, Louisiana, to Jerome, Arkansas, movement to be made on or about October 1, 1942, This group arrived at Jerome during the first days of October, just a few days before the first evacuees arrived.

-2-

They moved into quarters which had been built for them entirely separate from the rest of the relocation center. A gravel road completely circled their quarters and a fence circled that. There were four MP barracks that adequately housed over a hundred men, an officers' quarters with about six rooms and a bath and living room, one large building to be used as an office and stock room, a Post Exchange, an infirmary with two or three beds, a small bath house, and a small building to be used as a garage.

This first group of Military people was the 329th Military Police Escort Guard Company, Captain James L. Monson commanding. As continued to be the case, the officers consisted of the commanding officer, a medical officer, and at least one lieutenant. The 329th MPEGC Co. was made up mostly of limited service men. The commanding officer gradually improved the quality of the men, discharging many because they were over 38 and for other reasons. At least two small cadres were sent out from this group and were replaced by the same or a larger number of men, usually of about the same service classification.

Captain Harold L. Cooper replaced Captain Monson as commanding officer of the 329th about February 24, 1943. Little change was made in the company by Captain Cooper.

During the very last days of October or the first of November, approximately 50 per cent of the guards here were moved to Rohwer (whose entire guard company had been moved out). Captain Cooper remained as commanding officer and kept his headquarters here. The commanding officer, the medical officer, and usually only one lieutenant remained at Jerome.

In early December, 1943, Captain Cooper and his entire company, the 329th Military Police Escort Guard Company, left Jerome and Rohwer and were replaced by Captain William F. Peterson, Commanding Officer, and the 633rd Military Police Escort Guard Company of about 135 enlisted men. This company used the same plan as

-3-

the 329th--that of maintaining headquarters at Jerome, with lieutenants and a little less than half the men at Rohwer. The 633rd was composed of mostly active service men.

On April 8, 1944, the 633rd was relieved by one second lieutenant, Neil Fisher, and 13 enlisted men, a detachment of the 1814th Service Unit with headquarters at the Prisoner of War Camp, Monticello, Arkansas, about 35 miles from Jerome. These men occupied the quarters built for the MP. They no longer used the four barrack buildings, the kitchen, and the bath house. They lived in the building which was formerly occupied as office and stock room. They also had their offices there. They used the officers quarters instead of the bath house. They kept the canteen open. The officer slept in the infirmary. They ate in the mess provided for the appointed personnel of the WRA, paying the standard price of 35¢ per meal.

The reduction which began in the latter part of October was announced to all Project Directors by national Director D.S. Myer on October 4, 1944, with the idea that the projects should begin preparing the evacuees and the general public for this event--a gradual reduction and perhaps eventually a complete dispensing with the use of Military people at the projects. The Project Director at Jerome discussed this proposal with the commanding officer of the Military here, with key persons on the administrative staff, and with evacuee leaders. On October 26 the plan was discussed at a meeting of the 1) Project Director, 2) Chairman of the Community Council, 3) Chairman of the Block Managers, 4) one other evacuee leader, 5) the Assistant Project Director in charge of Community Management, 6) the Project Attorney, and 7) the Reports Officer. Two of the evacuees received the idea enthusiastically and the other said that he would like to have some time to think about it. This meeting recommended that the Military guard not be removed until after segregation was complete and that a 24-hour guard be kept at each entrance

-4-

to the project at WRA expense after the Military no longer maintained such guard. It was decided that these evacuee leaders would take the responsibility for educating the evacuee residents on the subject and the key members of the WRA staff would assume primary responsibility for educating the people in surrounding communities, both groups of course calling on the other when necessary. The Rotary Club played a big part in the education of surrounding communities. One man in Dermott felt that to keep military guards at the center was definitely a waste of military personnel, while another was a little dubious concerning the advisability of removing the guard entirely, not because he feared the evacuees but because he was not too sure about the attitude of the general public.

During the construction of the camp before WRA moved in, the contractors and engineers maintained a guard at the gate which controlled ingress. This guard was relieved when the MP's arrived. However, the buttons issued by the contractors and engineers to identify persons hired by them were still honored.

The Military Guards controlled ingress and egress from the center with a 24-hour shift of one and sometimes two guards at the exit, allowing no person, Japanese or Caucasian or Negro, to enter or leave without proper authority from the project director of the center. This authority consisted of various types of passes valid only when signed by the Project Director or Acting Project Director, of various types of passes which could be signed by certain persons to whom this authority had been delegated by the Project Director, and of contractor buttons for specified periods of time. Systems for the handling of these various passes were worked out by the MP's in collaboration with the office of the WRA involved. Attached are a list of fifteen different types of passes honored by the Military guards.

-5-

When the Japanese first arrived at the center, for a period of at least two months, those responsible for building the center were still very much at work. The Military Police patrolled the blocks occupied by evacuees to see that the evacuees stayed out of the way of the workers and that the workers did not molest the evacuees. In other words, they saw that the evacuees confined their activities to the blocks which the Project Director gave them authority to inhabit or visit in and that the workers did not invade the homes of the new residents.

For a period of about two weeks during November, 1942--when workers first began to work out in the woods away from the center proper--a Military Guard accompanied each crew of workers who worked away from the residential area of the project. After two shootings around the middle of November--an old man shot at a Japanese American soldier in a Dermott cafe and a tenant farmer returning from a deer hunt near Rohwer shot 3 residents of Rohwer on duty away from the center residential area, with the excuse that he thought the evacuee was trying to escape--this guard was always armed. Very shortly after talk of the two incidents died down this guard was discontinued.

Until March 7, 1943, the Military Police were always unarmed except as indicated above, when for a few days they used arms when accompanying outside workers on their jobs. Because two beatings occurred on March 6 during registration there was quite a bit of tension at the project. At that time the Military police were alerted--the only time in the history of the project. After the alert was lifted--a period of about three weeks--they continued to be armed but not quite to the extent as when the alert was on.

The Military police patrolled Highway 165, adjacent to and running parallel with the project, from 8 a.m. until dark south to Jerome and north to Hudspeth--

-6-

about a mile from the camp either way. This order was issued by their commanding officer on March 3, 1943, and this duty was continued until October.

Military Guards were stationed in each of seven guard towers, at the beginning. Within a few months this number was decreased to three, and in October, 1943, this guard was discontinued altogether. These towers were manned only at night. During the daytime patrols were made of the road which completely encircled the project.

In very early December, 1943, the Military police put a negro worker off the project. This negro was charged with indecent exposure and attempted assault.

The Military Police maintained guards within the area at the request of the Project Director. These consisted of a post at the safe in the administration building when no WRA employees were on duty and a post at the motor pool for a short period of time. Also in the latter part of 1943, after a road had been completed through the project area, a post was established at the rear entrance of the project. This post was manned at all hours.

About January 15, 1944, because public reaction to current Japanese atrocity stories was uncertain, a Military guard accompanied WRA evacuee employees assigned to the post office on their morning and evening trips to Dermott, Arkansas, for the mail. This guard was not continued longer than ten days.

Military Guards from the local detachment accompanied each movement of people to the Rohwer Relocation Center during the center closure movements in June, 1944.

The Military Companies stationed at Jerome worked hand in hand with the WRA administration both officially and socially.

The project garage was always open to the Military police. When complete companies were stationed here they usually had available to them from four to eight vehicles and did their own hauling of supplies--quartermaster from Camp Joseph T.

-7-

Robinson and ordnance from Pine Bluff--but they did not have facilities to properly care for all needs for this equipment. Until July, 1943, there was no charge made for parts, materials, or labor. After that they were asked reimbursement for parts.

When there was a full company here the Military was a self-contained unit having their own mess, headed by a mess officer and a mess sergeant and four or five cooks. KP was divided among the privates, and the meals as a whole were very good.

WRA mess steward and the Military mess personnel cooperated in every way possible.

WRA loaned the Military furniture for the officers quarters and some for the office.

The MP's had their own doctor as long as there was a company on the project. The different medical officers made full use of the WRA hospital for emergencies, ExRays, and the use of other equipment which was not available in the infirmary, but whenever possible took all major cases to the Station Hospital at Camp Joseph T. Robinson, about 120 miles north.

The WRA personnel gave parties in the personnel recreation hall. The soldiers always participated in such events. The Project Director and the Commanding Officers were always on a friendly basis socially. Four WRA employees have married Military guards who were stationed here at one time.

One of the chief sources of amusement for the people was a well-stocked PX which attracted WRA personnel. This PX had a juke box and a dance floor, which made it one of the few places to dance in the vicinity. This PX also boasted a ping pong table and a piano and a limited library. One of the highlights of the PX was their regularly scheduled USO shows, which played every two or three weeks and always brought a large turnout. WRA personnel were permitted to buy drinks, cigarettes,

-8-

and most other merchandise at the PX at the same price charged the military men. Both male and female WRA employees enjoyed the PX.

Outside of what could be had at the project there was little recreation for the soldiers. Dermott, the nearest town--about eight miles away--, provided churches, two or three small cafes, and a theater.

The commanding officers attended staff meetings of the WRA administrative staff sometimes. The officers and men played soft ball with a WRA personnel team.