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2. Federal Reserve Bank
3. Federal Security Administration
4. U. S. Employment Service

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1. Federal agencies involved. (Poor source, since every effort will be made to cover up loss of property values, waste, etc. (especially Federal Reserve).)
2. New operators of evacuees' property. Also tough source since there will be no desire to expose the hard bargains driven by large operators such as Cal Pack or San Joaquin Poultry Dealers Association.

Los Angeles Horticultural Association ought to be lucrative source since they don't stand to gain through transfers.

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a large volume of property was so transferred and believes it is largely
this property which Hewes referred to in Chronicle of April 2, 1942.)

Notes of Philip Steff

D. S. Thomas
April 20, 1942

Releases: Mimeographed - O.E.M War Relocation Authority. Whitcomb Hotel
Building, San Francisco. M. B. Eisenhower, Director. (Printed) Official Proclamation,
Western Defense Command and Fourth Army, Presidio, San Francisco.

Also mimeographed - Wartime *Civilian* Control Administration, Western
Defense Command and Fourth Army, 1231 Market Street, San Francisco.

Confidential orders of Day, Hale, and *Everson* ~~Everingham~~ are useful.

4/15 - Conference with Carey McWilliams, Chief, Department of Industrial
Relations, Division of Immigration and Housing.

Most interesting recent data is concerned with future supply of
agricultural labor in Los Angeles County. Are now 6,500 unemployed
Mexican farmers in area, but these will be insufficient to meet needs of
whole state.

Gus Hawkins (Negro assemblyman from Los Angeles) is going to favor
the import of Negroes from Deep South. Mills and McWilliams believe
this a good idea. Under Hawkins, Negroes are organizing a committee to
select Negro families to take over evacuated farms.

Plight of Japs in Little Tokyo is bad. Are selling out at
ridiculously low figures. Auction sales, etc. are being conducted by
Jewish dealers and as a result, is much anti-Semitic feeling developing
in Los Angeles. J. J. Sugarman is most important among auctioneers.

In re: agriculture. Jap farms in Los Angeles are in the main very
small and therefore large operators haven't moved in much. W. S. Rosecrans
(a large landowner) is agricultural coordinator in this area. Through
his offices many land transfers occur, but maintenance of records is poor.

4/15 - Bill Brownell, F.S.A., 707 South Spring, Los Angeles. Field units of F.S.A.
supposedly keep records of transfers of farm property. They are passive

*Pre-Evacuation
Economic
Aspects*

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though, and invite evacuees to obtain advice from them. Referee deals, etc. No central office has complete data.

Now, under compulsory evacuation, property can be frozen. Central office, 707 South Spring, only can do this.

Clark Ewing (Federal Reserve, Los Angeles) - Not too helpful. Says that no comprehensive policy or program has been developed. Decisions are "spot" decisions by representatives of Federal Reserve.

Federal Reserve claims to deal in urban real and personal and rural personal property. Chief tool of Federal Reserve is "the big stick." Only with regard to personal property can Federal Reserve freeze and does so only when definitely asked to by evacuee. Usually threats to do so and to store the property are sufficient. Most problems yet developing of difficulty are those arising out of conditional sales contracts, etc. Policy has thus far been to store the property in question when the evacuee has not been delinquent in payments. Admission was made by Ewing that the Federal Reserve tries to avoid custodianship because of the added responsibilities and duties.

Federal Reserve is passive in that it does not attempt to find out how the evacuees are faring. They pay no attention to the "forced" sales and activities of auctioneering companies in Little Tokyo, relying wholly on the newspaper publicity to bring the evacuees in.

Conditions with respect to urban real property are much worse. Federal Reserve won't take over such property and if asked, will merely suggest some real estate or property management concern in case the sale or the lease of properties cannot be handled by the evacuees. Evacuees are encouraged to turn their property to "some" Caucasian either by power of attorney or management contract. The Federal Reserve keeps no records and feels no responsibility toward the evacuees who are disposing of real property.

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Asked whether, if an evacuee was "fleeced" by a property management organization or person, the Federal Reserve would attempt an adjustment, Ewing said, "Probably yes, but it would remain to be seen."

Ewing feels that Federal Reserve is more active and efficient than the other agencies involved.

He feels that the inefficient handling of the whole problem is due to:

1. Lack of coordination between agencies.
2. Animosity and jealousy between Federal Reserve and Leo G. Crowley.

As yet, Crowley hasn't exposed his hand but probably will in a few weeks.

Suggested calling on Father Caffrey of Maryknoll, 222 South Hewitt Street. Maryknoll claims to be directly in touch with 27,000 Japs out of a total of 37,000 in this area.

4/15 - Walked through "Little Tokyo." Practically abandoned. Very few Japanese in sight. Stocks are being disposed of either by Jap owners or Jewish auctioneers. Seem to be very few buyers. Auctioned goods are evidently going at exceedingly low prices to Caucasian dealers in similar goods (that is, copper wire selling at price below price of copper junk). Mills and I agreed that the sales of goods not at auction by Jewish liquidators are not real attempts to get rid of entire stocks regardless of price. Sale prices are too high entirely for this to be the intent. Jap owners still attempting to liquidate own inventories seem to have succeeded with objects of utilitarian significance, but seem to have trouble with knickknacks such as dolls, fans, so-called art objects, etc.

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Father Caffrey, Father Evans, and Gomb Fujamoto. Maryknoll School, 222 South Hewitt Street, Los Angeles.

Tremendous information especially about urban Japanese. - Are writing a complete report, a copy of which will be sent to the bureau. Report to be on "human interest" side principally tho. Urban Japs (in Little Tokyo) have been and are being badly fleeced. They are not aware of the benefits to be derived from government agencies. Publicity of these agencies is very poor now. Before the Japanese papers were closed it was better. However, in this period those Japanese going to these agencies for help did not receive it. There were two reasons. One that the Japs, not admitting that they poorly understood English, did not ask for interpreters and consequently didn't understand advice given. Those who did understand say that the agencies didn't at the time know their rights and powers and hence offered no help. As a result of this the Japs quit going to them for help. The Maryknoll school is now performing a duty of the Fed. Res., that of storing personal property, while the Buddhist Temples have provided food and shelter.

owned real prop.
In Little Tokyo, as in rural areas, the Japs have suffered greatly from robbing and theft. Of more danger, however, are the various finance companies and property management companies. These orgs. are definitely preying on the Japanese, offering ridiculous prices for both real and personal property. The Jews seem to be most offensive with the Chinese also pushing in. An example of this was the sale of \$1,000 market value restaurant equipment for less than \$200. One real estate company, Nanny Brothers, evidently is succeeding in cornering all real estate in Little Tokyo that is owned by Japanese. The Japs claim that the Jews are buying up their good inventories, moving out the valuable merchandise to their own shops, and selling at auction only the poorest Japanese goods and their own stocks which they move into the Jap stores during the night.

Many Japs, whether owners or lessees, have given up trying to dispose

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of property either by sale, sub-tenants or the lure of a manager. They are merely locking up and leaving. Caffrey claims that this is going to lead to much litigation when taxes, rent, etc. are due. A large Jap hotel did just this.

Maryknoll is connected directly with 7,000 Jap families, totaling 23,000 persons. These represent all occupations, and hence the material obtainable at this source is ⁱⁿvaluable. Father Caffrey seems to be afraid to talk much and contradicts self continually. i. e.: deploras lack of cooperation between the fed. agencies and between these and the military, but then praises all for doing the best job possible. Father Evans is better but is below Caffrey and won't say much when Caffrey is around. Fujamoto is a mining engineer, a graduate of Maryknoll and University of Arizona and is definitely up on the whole matter. All however, have the church to worry about and don't want to talk freely without authority from Archbishop of L. A.

This organization wanted to effect a voluntary evacuation of Japanese from Little Tokyo but the freezing order came too soon. They claim that there are only 1,000 Christians in the area, 500 of which are Catholics. Nevertheless, they are continuing their welfare work without regard to religion and are trying to get permission to continue their educational activities at the reception centers. This permission has not yet been obtained.

4/16 Richards, Stuart, F.S.A., L. A.

Farms

Holdings of the Japs in L. A. area are very small, one 1,500 acre truck farm held under lease by 290 Japs. Makes for much difficulty in obtaining new operators. Like all agency representatives he overstates the degree to which new operators are found (at least Father Caffrey denies this, holding that new tenants are few and far between.)

Among the most prominent of the new operators are the Chinese - are few whites, Filipinos, and Negroes. All district offices report weekly the number of farms evacuated, the number of tenants put in ^{by} the F.S.A., and the number of loans approved for new tenants, by district offices. This information is tabulated by Bill Helvey in the S. F. office and is obtainable thru Omer Mills.

4/16 Fred Farr, F. S. A. field agent, Burbank, California.

Work done by interviewers working out of these offices claimed to be excellent. Effort said to be made by these men to acquaint evacuees with rights and with government services offered. They try to put prospective tenants in touch with evacuees and claim to have been quite successful in this activity in San Pedro area. Less successful is Lawndale, however. New tenants in San Pedro are largely Mexican. Mexicans and Americans seem to be willing to harvest growing truck but intend to switch to beets as soon as possible. This means that next year vegetables will be very scarce and high. Present crops in culture stage are almost 100% saved.

4/16 Santa Anita

Mulcrevy of the W. P. A. is in charge. Apparently admission to these centers is easily obtained from civilian authorities.

Is large excess capacity, even now, in this center with 6,500 inhabitants. Eventual capacity to be 16,000. Family units are maintained. Dining facilities even permit the maintenance of distinct family units during meals. Nearly all work, cooking, gardening, cleaning, etc. is done by evacuees. Have good hospital, laundry, and bathing facilities. The only thing which might be complained of is the lack of any kind of heat in the barracks or separate units.

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These have cement floors and should be very cold in winter.

The evacuees at this center seemed to be very high class, clean and fairly well educated. The younger ones take it all as a grand vacation and really enjoy selves. Especially those of "teen age". Mulcrevy says that there is quite an element of dissatisfaction among the older ones, due not to their loyalty to Japan or to their property losses, but to their enforced idleness. There isn't enough work to go around and these people, especially women, are suffering from boredom.

The entertainment program is just getting under way and is very comprehensive, supervised athletics, dances, shows, etc. Despite the informality of this group, a certain strain is due to the omnipresence of soldiers, sub-machine guns, watch towers enclosed in barbed wire, etc.

The Japs are going ahead with plans to organize selves into sort of a city administration with mayor etc., altho what the function of these ^{hierarchies} hievarchies will be no one seems to know.

Two current rumors prove to be unfounded by conditions existing here. First this community could never be self supporting. Firstly, most of the evacuees are farmers with no land here available to farm, are totally unfit to do anything else. Secondly, it appears doubtful if any substantial amount of manufacture can occur at these centers as now constituted, for there's no room for "factories" and the military cannot permit too much expansion because of added patrol difficulties. Also the Japs are not allowed knives of any kind, even to eat with. If this policy of keeping them from obtaining such objects as these continues, manufacturing is out, unless guard tremendously increased.

It is obvious that whites are suspected for one feels himself the object of many inquiring glances. It is not due to dislike, but merely to a fear of something worse to come. Some are very friendly tho. The activities of the F.B.I. in these centers is no doubt a cause. These Japs on a whole are I'm sure quite loyal to U. S. During a recent blackout Mulcrevy says the general statement was "here come the dammed Japs again", or something of this nature.

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Money does mean something here for cigarettes, candy, toothpaste and other incidentals must be purchased from commissary.

Romance is extremely evident. One Jap admitted that despite the fact that he would suffer financially from immediate removal to Santa Anita, he wanted to go as soon as possible to get at all the girls before the competition got too great. It may be that this enforced semi-communal life will have its effects on morals.

Phil Noffs Notes

See Kenneth Smoyer -- 524 N. Spring

See Mr. Ryan, County Agricultural Commission, 808 N. Spring

4/17. Mr. H. H. Wilcomb, Assistant Agricultural Coordinator, Los Angeles County. (Soon to be moved to office of Agricultural Commissioner, 808 N. Spring.)

Seems to be very optimistic. Data collected but confidential. Show that 500 farmers have taken over 17,000 acres of land. Average amount formerly occupied by Japanese is about 25,000.

The earlier voluntary evacuation suffered most heavily, but the evacuation is now more orderly. Field men from this office call on Japanese and appraise holdings. Some are sold too low and some too high, but on the average, it is probable that fair prices are paid. The Chinese are most numerous among the new tenants.

There will probably be no loss on crops now in, but a shortage of truck crops, flowers, etc. will become evident next year.

A shortage of agricultural labor is sure to develop in the summer here although is much unemployment now.

This office recommends the transfer of farm property under a trusteeship, with banks as trustees, or, if new operator is trustee, by Japanese.

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A large amount of the ^{property} transferred in this manner with the remainder by sales. Are few losses.

This office will close in about a week, and data gathered will be turned over to Helvey of F. S. A.

When it closes, figures concerning kinds of crops transferred will be available.

This office expects trouble to develop later when the distribution of earnings under trusteeships are made. Much litigation will develop.

This office is also ^{critical} ~~critical~~ of the F. S. A., particularly with regard to personnel, for employees are not acquainted with California crops -- are Utah and Colorado men.

4/17. Homer Nanny, 432 Wall St., Los Angeles. (president of Nanny Bros., Real Estate Operators.)

Extremely furtive and hard to see. Claims that Japanese are getting off well, and those who don't are obviously saboteurs. Is extremely well acquainted with the ^{proposed} plan for the city to buy up, "Little Tokyo" properties to build streets and public buildings. Claims to own almost no property in this area.

Is not a Jew, probably an Armenian, but is very good friends with JJ and Nate Sugarman. These persons, he says, are of high and noble nature. In fact, they are philanthropists who are losing money by helping the Japanese in this area. Evidently, his greatest enemy is the Chinese who seem to have investible funds and who bid up prices of property in "Little Tokyo."

Very obviously this firm is taking advantage of the position of the Japanese, and is very much afraid of federal prosecution. All of this material is supposed to be of very confidential nature.

This firm specializes in the management of restaurants, hotels, and liquor. They are undoubtedly all that the Maryknoll fathers claim and more. Nanny admits that he makes all his money, evidently quite a bit, by dealing only in the poorest parts of Los Angeles. Runs so-called "flop houses" and very cheap and dirty restaurants patronized primarily by Asiatics and Negroes.

4/17. J. A. Watkins. R. A. Rowan & Co., 458 S. Spring St., Los Angeles.

This is one of the property management firms referred to above. This firm has leased a great deal of property to Nanny for management and owns or manages much of the property in "Little Tokyo".

Watkins claims specifically that the Japanese have been forced to sell out at any prices they can get, but usually the price is not so low that great losses are suffered. Government agencies have not done anything for the urban Japanese at all, and the freezing power of the Federal Reserve has not been exercised.

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The Japanese managers of property owned by this firm have been forced to close down. Mortgagees have had to forfeit these equities, and leaseholders have moved out without making any arrangements for subtenants. This firm has not put pressure on Japanese (so Watkin claims) to fulfill the terms of leases or management contracts, but it has of course, claimed default and has foreclosed on mortgaged property.

Watkins flat-footedly criticized the federal agencies for their inefficiency. He claims that the Jews (Sugarman included) have dealt severely with Japanese in the last few weeks. Although Nanny is a manager of some properties of this company, Watkins says he is okay in his own way. None the less, he feels that the company is going to lose money on its "Little Tokyo" property, for no new tenants are forthcoming. Some property on the fringes is being taken up by Mexicans, but a large portion of the ^{total owned} will never be rented till this war is over.

Watkins claims that this property won't be used by the city and won't be purchased by the city for future use. He says that all property owned there will be a liability for the duration.

One interesting thing he said was that personal property taxes, normally payable next June, were collected from the Japanese in December. This would indicate that some city officials foresaw the evacuation and the problems involved and made sure that the city got its last cent.

Watkins says most Japanese losses are in personal property. This is the definite domain of the Federal Reserve. Why this is so, he doesn't know.

April 27

Roy A. Miller (Federal Reserve) and Franklin Kline (U.S. Employment Service), Civil Control Station, 2314 South Vermont Street, Los Angeles.

1. Kline is office manager here. He feels that the registration and evacuation of aliens are going rather smoothly now, but great difficulties will develop when and if Germans and Italians are evacuated. Only 4 registrants out of 1,200 were farmers in this district. Only two cases where there was obviously hard feeling by Japanese. Remainder are stoic. Doesn't know anything about property losses. Miller

2. Miller is an ex-banker from Santa Monica. He is in charge of the Federal Reserve operations with respect to automobiles, refrigerators, radios, etc. of evacuees. He is well qualified for this position since he was in charge of the loaning operations at the bank and is well acquainted with values, means of disposal, etc. If all Federal Reserve men are as qualified, then personnel is excellent. He holds that most cars and durable personal property of Japanese are being sold by them or privately stores before registration. Those cars not previously sold are usually offered to the United States for sale, very few being stores. The depreciation in the case of open lot storage at Santa Anita is too great.

Both Miller and Kline believe that Civil Control Stations operate most effectively when not in a church or other donated building and when not infested with volunteer workers. The reason is that the volunteers try to do too much for the evacuees and the ecclesiastical atmosphere doesn't give rise to a business-like relation between Japanese and officials.

3. F. C. Bold - in charge of Federal Reserve operations, Los Angeles. Bold spent 90 per cent of time telling me what "value" means and on his definition, the evacuees got a fair price for their property, principally because it had little or no value. -- A typical rationalization by a banker for inefficiency.

Bold not well informed about alien property custodianship during last war or about freezing of foreign funds this time. A good customer's man, though, who can get around anything. Says Japanese are being well cared for, but already Germans and Italians are making trouble.

Bold is nominally at head of Federal Reserve here, but Watkins really runs things. Hale at San Francisco is coordinator of all the Federal Reserve agencies involved in alien evacuation in Seattle, San Francisco, and Los Angeles.

Bold says on average Japanese are getting \$0.10 on dollar for personal property (including inventories), but this represents its marketable value. Remainder is represented by good will and is nonmarketable.

C O P Y

(Inter-office correspondence of New York Merchandising Co. Inc. Addressed to Mr. S. M. Thatcher.)

April 27, 1942
Portland, Oregon

Dear Ben:

This is to advise you that we have today returned to you all the Mazda and Imported Globes that we had here. You can be sure that I was sorry to see them go back.

In this same shipment we are returning to you some imported merchandise that was returned to us here by the Payless Drug Store of Seattle, Washington. I gave them permission to do so.

About two weeks ago some fanatic came into his store, purchased a 10¢ nail brush which was marked "made in Japan", went out and had an oil cloth sign made reading, "This store selling Japanese merchandise, unfair to General MacArthur." He put this sign on himself and picketed the store, which caused a lot of trouble. The Manager is now afraid to handle any merchandise made in Japan and it is for that reason that I gave him permission to return the merchandise.

I looked over the merchandise that the manager wanted to return to us and feel sure that you can sell this merchandise very readily; however, if there is any part of it that you cannot use, advise me and I shall make arrangements to see that it either goes back or no credit is given.

Yours very truly,

April 28

1. O. M. Hill, 2706 South Orange Drive.

Hill has owned property in Little Tokyo for 25 years. Has always rented to Japanese and found them good reliable tenants. He owns property from First Street garage to corner, including The Tokyo Co. at 215 E. First Street.

Long-term leases were made with Japanese. Garage has been leased for last 16 years to some man for \$350 per month. Hill is now running it himself and barely makes expenses. He has rented The Tokyo Co. store next to the garage on a monthly basis to the H & H Outfitting Co. (702 S. Los Angeles) for \$75 per month. He received \$125 per month on yearly lease from Japanese.

Hill's belief is that the Japanese are losing terribly as are white owners of property leased to Japanese. Only gainers are the Jews.

2. Sukiyaki Cafe, Fujiami (owner) 109 N. San Pedro.

Spoke English very poorly -- an American citizen but born in Japan. Came here 62 years ago. Calls U.S. his country but claims his heart aches to have Japan attack us. Claims the Japan he knew would never have done so. He hates Jews and refused to sell his cafe to a Jew but sold to a Mexican at a great loss. Says he lost \$5,000, but I don't see how the whole cafe and all its equipment could be worth half this figure.

3. Y. Fujisuki (manager and shareholder in Olympic Hotel, 117 N. San Pedro).

Six Japanese own whole stock. Hotel is mortgaged to Western Loan and Building Co. (1005 S. Hill St.). Stockholders are losing entire equity (see Western Loan and Building Co. for details).

4. V. R. Halley, assistant manager, First and San Pedro office, California Bank, 321 E. First St., Los Angeles.

This bank has had great good fortune in dealing with Japanese. The bank has not foreclosed on a single Japanese. (This seems to be exaggerated.) Most of loans made by bank on cars, residences, businesses, other personal

property, and personal loans have been paid off prior to evacuation. Example -- Bank had an \$18,000 mortgage on "The Flower Market" on Wall Street. Balance due was \$9,000. Last week Japanese paid remainder (\$9,000) in cash. Property now being run by their (Japanese) attorney, J. Marion Wright.

5. R. Nishimoto, Stanford, '29; manages Japanese novelty store at 344 E. First Street. Says he has marked down prices 50 per cent. Mark-up above wholesale is 33 per cent. 17 per cent loss on average on inventory. However, goods aren't moving out well and loss may be even greater when all is disposed of. He is contemplating the storage of all goods not sold at this price to avoid a greater loss.

6. T. Kitabayashi, U.C. 1925 - Commerce, Beta Gamma Sigma. Manager of The Asia Co. (348-350 E. First Street).

Asia Co. is engaged in the sale of groceries and drygoods in separate stores. Gross sales of this company run from \$250,000-\$500,000 per year. Average inventory for two stores is \$60,000. Lost \$20,000 in the liquidation of both inventories, mainly on drygoods. Groceries moved out well. Liquidation was done by Kitabayashi himself. Both stores were rented. Owner of drygoods store cancelled lease calling for \$550 per month as soon as Kitabayashi noticed the lease had four months to run. Owner of grocery tried to force payment to termination at req. rate of \$350 per month. Kitabayashi appealed to Federal Reserve who rattled sword and owner backed down, threatening to sue later.

Kitabayashi says Jews are tough nuts. Sato Book Store at 329 E. First agreed to sell inventory to a Jew for \$1,000. Inventory at cost at least \$3,500. Jew paid \$150 down and then paid no more, holding that Japanese misrepresented the value of inventory. Japanese gave up.

7. S. Iwohara, lessee on Carson Ranch, *Romiguera* Hill (between Avalon and Compton Blvds. and near 190th St), paid \$1,000 for a second-hand Caterpillar

tractor in September, 1941. By April he had paid \$475. Was conditional sales contract. Lost entire equity. Cost of crop of celery (including labor) was \$800. Had to sell out at \$225.

April 29

1. James G. Hodges, member of Board of Directors, California Fruit Growers Exchange.

Japanese in West Covina do not anticipate early evacuation and therefore aren't attempting to make arrangements for operation or disposal of property. Most of Japanese holdings are small truck farms but are some large citrus growers. Citrus industry won't be directly hurt by Japanese evacuation, though, for Japanese aren't employed by citrus growers.

Shortage of labor (agricultural) is likely to become acute in July. It is probable that the shortage will be so great that many truck crops will not be harvested.

2. W. R. Newport, Property Management Director, W. Ross Campbell Co., 712 So. Spring Street, Los Angeles.

This organization is strictly a management organization, managing both rural and urban properties. The situation down here is very tough for these management firms as well as the Japanese. They are forced to try to find new tenants for the properties which they care for. There are too few Chinese and Filipinos to take over the farms vacated, while the Mexicans are worse than no tenants at all. Newport feels that as supervised labor, the Mexicans are all right; but as independent operators, they would fail miserably. He also feels that the importation of Negroes from the Deep South would be a great mistake, for they are not acquainted with the problems which have to be met in California agriculture. The urban property of the Japanese is not suited to white habitation. In fact, even if it were, whites would not move in just because it had been Jap town. Little Tokyo will probably remain a white elephant on the hands of the present owners. There are not enough Chinese and Filipinos to take up this property even if they moved in en masse.

The government agencies charged with the protection of Japanese properties are not doing a good job. The principal reason is to be found in their personnel. Neither the F.S.A. nor the Federal Reserve men are experienced in property management in southern California. This same criticism was made of government agencies yesterday afternoon by Chas. J. Ritt, Vice President of Properties Inc., a subsidiary of the Citizens National Bank, 736 So. Hill St., Los Angeles. Newport holds that the evacuation program has broken the control of Japanese in Los Angeles produce market. Japanese previously discriminated against whites, Filipinos, and other non-Japanese growers. Thus Japanese monopoly has been active in stimulating Japanese truck farming.

3. This was a meeting of property owners in Little Tokyo at the Union Bank and Trust Co. at Eighth and Hill, Los Angeles. Chairman was L. F. Hammel of the above bank. Nineteen owners of their agents were present, along with several other interested parties such as the President of the Los Angeles Realty Board, a Mr. Glass.

The first problem taken up was concerned with the taxation of property in this district. A committee, consisting of Mr. Cameron, Trust Officer of the above-mentioned bank, Mr. Dockweiler, whom I believe to be their lobbyist, and a Mr. Discroll, Trust Officer of the Security First National, made its report. They suggested preparing statements of the reduction in rentals received from evacuee property which they would present to the assessor in asking for reduced assessment next year. Some of those owners present felt that they should pay no property tax since their properties would very probably yield no rents for at least a year. The consensus was, however, that rents would probably fall from 50 to 75 per cent and that therefore some tax would have to be paid. Dockweiler talked for hours without saying anything, his wildest suggestion being to lobby in Congress for payments out of the federal treasury for property owners suffering from the evacuation program. It seems that the

auto dealers are doing this already.

Mr. Glass of the Los Angeles Realty Board reported that his organization was already studying this problem and had thought of Chinese, Mexicans, and Filipinos as possible solutions to the situation. Negroes he excluded as too undesirable. He said that no one could expect these owners to improve this property till rental was imminent. He explained that these men were not the only ones suffering from the evacuation. There are several thousand residences in other parts of Los Angeles which have become vacant. Owners and mortgagors of these are also in trouble. The Realty Board has not yet decided what it can do to help these owners.

Mr. Cameron is going to send a questionnaire to owners concerning rentals before and after evacuation. This should be interesting to us.

An interesting thing is that these men all refuse to rent to Negroes. In fact, they agreed not to do so until their group as a whole shall vote on it again. They believe that doing so would permanently reduce the incomes from properties in this district. They would prefer to leave it vacant till after the war.

They feel that the only way to get this district back on its feet is to keep the hotels open and to engage in widespread advertising campaign.

Mr. De Hale, a large owner, has already hired someone to manage a hotel he owns there, even though at a loss, in an effort to keep his stores and other property valuable. Mr. Babcock, another owner, suggests percentage leases or graduated leases to attract business.

We can expect a large-scale advertising campaign to be started by these men. They plan, or at least talk about, advertising in San Francisco papers and papers in Mexico. They plan to hire an advertising agency to do this.

Lots of data can be gathered here. The minutes of their meetings are at my disposal and I will look them over when they are typed up. Notices of future meetings will be mailed to me so that I can be present at all the meetings. I will also contact the members individually.

Some of the owners, Mr. De Hale for one, are buying up the fixtures of the Japanese in their buildings so that they will be more easily rented.

Also, ^{IV Beach} Babcock suggested that advertising receipts be accepted as rental payment from new tenants.

April 30

1. Harry Berco, Manager, H & H Outfitting Co., 702 So. Los Angeles St.

H & H pays on the average 50 to 90 cents on the dollar for bankrupt stocks, depending on the nature of the goods bought. If it is the kind which moves fast they pay the higher amount. At the present time they are paying slightly more than in the past because of rising prices. They paid high prices for the inventory of some Japanese stores because of competition of other dealers. Highest prices are paid for standard goods such as liquor, drugs, etc. (Yuki Imai, 205 E. Second St., sold his whole stock at cost, this stock consisting of liquor, cigars, etc.)

The H & H Co. paid \$1,000 for a \$1,300 inventory of the Osaka Co. Second large Japanese company is sending its stock to some friend in the Middle West where goods made in Japan sell better. The New York Merchandise Co. is doing this too, according to Berco.

He also said that the Asia Co. sold at cost too, though the manager says not. (See April 28.) Asia and the Tomio Co. were both bought by Sugarman. Tomio has been reducing its stock for the last year, though Berco says its business has increased in this period.

Berco says the reason that the Japanese have been getting such good prices for their goods is because it is all of a rather poor quality, just the kind that the second-hand dealers and cheap new goods merchandisers can dispose of rapidly.

2. S. M. Thatcher, Assistant Manager, Los Angeles office of the New York Merchandising Co.

This company is one of the largest (or was) importers of Japanese goods. Before war started its inventory of Japanese goods was constantly over one quarter million dollars. It's much lower now. It is trying to get rid of all Japanese goods. This is difficult as evidenced by this letter attached, a copy

of one sent to Thatcher.

This company began a year ago to try to switch into the marketing of American goods. It was fairly successful so that the stopping of Jap exports hasn't hurt much (except in regard to Japanese goods still on hand).

This company did not buy up anything in Little Tokyo. It buys only from manufacturer.

C O P Y

(Inter-office correspondence of New York Merchandising Co. Inc. Addressed to Mr. S. M. Thatcher.)

April 27, 1942
Portland, Oregon

Dear Ben:

This is to advise you that we have today returned to you all the Mazda and Imported Globes that we had here. You can be sure that I was sorry to see them go back.

In this same shipment we are returning to you some imported merchandise that was returned to us here by the Payless Drug Store of Seattle, Washington. I gave them permission to do so.

About two weeks ago some fanatic came into his store, purchased a 10¢ nail brush which was marked "made in Japan", went out and had an oil cloth sign made reading, "This store selling Japanese merchandise, unfair to General MacArthur." He put this sign on himself and picketed the store, which caused a lot of trouble. The Manager is now afraid to handle any merchandise made in Japan and it is for that reason that I gave him permission to return the merchandise.

I looked over the merchandise that the manager wanted to return to us and feel sure that you can sell this merchandise very readily; however, if there is any part of it that you cannot use, advise me and I shall make arrangements to see that it either goes back or no credit is given.

Yours very truly,

May 1

Phone number of the Santa Anita Reception Center, Ryan 16701. Paul Franks, U. S. Employment Service, Headquarters, 707 So. Spring.

1. Mr. Chapman at Santa Anita has charge of passes to visitors. Franks is an individual interested mainly in the education and religion of the Japanese. He is well acquainted with the church groups who are endeavoring to continue their programs at the reception centers. He says that these persons are being greatly set back by the activities of some churches who want exclusive control at these centers so that they can obtain converts. Also certain trading companies are attempting to obtain trading concessions at these places. The activities of these pressure groups have forced the authorities to clamp down to the extent that very few are allowed even to enter the grounds.

According to Franks the greatest shortcoming of these centers is the lack of recreational facilities. These evacuees are used to an active life and cannot get along well when they have absolutely nothing to do. One Rev. Fertig of the Japanese Christian Church at 822 E. 20th Street is chairman of a committee to provide these facilities but has been unable to do enough yet.

The State Board of Education has now a list of some 300 white teachers who have volunteered their services as teachers at these centers. The two universities -- U.S.C. and U.C.L.A. -- have also made lists of their Japanese graduates who are capable of teaching at these centers. The numbers of teachers and other data can be obtained from the Department of Sociology at U.S.C.

Persons at Santa Anita who might have information valuable to us are Chapman, religion and education; Wilkinson and Brewster in recreation.

2. Miss Winifred Ryder, Superintendent of the Bureau of Public Assistance in southern California.

Very valuable data can be obtained from the Japanese American Citizens League. They made a study of property losses of Japanese in southern California.

They would have data which the government agencies don't have since they attempted to consider not only cases appealed to the government agencies, but also cases settled by the Japanese themselves.

The people who would now have this information are now in the centers and must be reached there. They are:

Fred Tayama, southern California Chairman of League. He is now at Manzanar.

Mr. Aratani, Chairman of Los Angeles chapter, now at Santa Anita.

Kioshi Higashi, Chairman of San Pedro and Terminal Island chapter, now at Manzanar.

3. Julius A. Goldwater, Rev. A white Buddhist priest at the temple, 119 North Central Avenue, Los Angeles.

Goldwater is a typical crackpot who has taken up something because its different. He continually impressed me, or tried to do so, with stories of the raid of the temple and the arrest of certain of the Japanese priests. He holds that conditions are much worse than even I believed. His pet story is of the persons who he says came to Little Tokyo, posed as government agents, and bought up Japanese property, especially radios, refrigerators, and washing machines at junk prices. These, he says, were the worst, but no Japanese got a really good deal in the disposal of his goods. The panic of the Japanese added to their problem. One Japanese sold a dresser for \$2.50 which had \$1,500 in the drawer. The Japanese will have to begin all over again after the war is over for their position as wealth holders is completely ruined.

He also told of a Japanese farmer at Huntington Beach who had to sell an eight-acre farm, his home, and a store that cost him \$1,000 a year ago for \$1,000. According to Goldwater this farm had a crop in that was worth at least \$500.

Goldwater says that contrary to popular belief, the old Japanese who

came from Japan are better Americans than are many of the Nisei. The reason for this is that the old ones came over by choice, while the younger tend to romanticize about their "real homeland". Goldwater says that many of the Japanese are not loyal to the United States. He says that a very large group of the Nisei is favoring Japan in the present conflict.

May 4

1. Report of Howard Wilcomb to Ryan and Rosecranz. Final report of Agricultural Coordinator's office (exclusive of work done by Dr. Hurt's office) (company livestock inspector), 808 N. Spring.

Personnel of office:

1 coordinator
1 assistant coordinator

21 field supervisors
2 secretaries

Applications were taken of prospective new tenants and landowners wishing new tenants from February 18 to April 18.

<u>Vegetable Farms</u>	<u>No.</u>	<u>Acres</u>
Former Japanese farmers	1,202	25,149
Applications by new tenants or managers	968	35,759
Applications by landowners	146	6,397
Leases transferred from Japanese to non-Japanese -- formerly operated by 860 Japanese	584	18,880

<u>Vegetable Greenhouses</u>	<u>No.</u>	<u>Square feet</u>
Vegetable greenhouses formerly run by Japanese	95	1,228,978
Vegetable greenhouses transferred to date	46	760,178

Field supervisors contacted Japanese prior to registration at Civil Control Station and furnished them lists of new tenant applicants and landowner applicants.

2. Roy Mason, Office of Agricultural Commissioner of Los Angeles County, 808 N. Spring.

Vegetable greenhouses were transferred with some loss to Japanese. Most greenhouses were owned by Japanese outright, not leased. They were, in the main, transferred to white operators for the duration only -- almost no sales and very few definite time-period leases. Mason believes that this will be very bad for new operators took over on a shoestring and only because of the [?] *immaturity* of a cash crop. Duration leases won't foster good care, ¹ planning, etc. He believes that most of these new operators will go broke before next summer.

Three fourths of greenhouses used to grow celery. This is an expensive crop to grow and therefore new operators, inexperienced, will shift to tomatoes.

Labor for greenhouses will probably be very short. Japanese women formerly did it. Mexicans, knowing that greenhouses were leased because of the cash crop involved, are demanding higher wages. With higher wages they work less. They don't want to raise living plane at all.

White operators must get about twice as much for greenhouse crops as Japanese, since white wives, daughters, etc. won't work and wages must be paid. Celery bound to be high.

In only one case (Mr. Goode of Montebello) has Mexican female labor been utilized and is it trained. He is fortunate.

Celery is very tricky to grow. Japanese had a corner on growing it. Now no one down here knows how to do it. Bad.

Mason doesn't believe that whites can grow either strawberries or celery and make money. Is too much hand labor involved.

3. Kenneth Smoyer, Assistant Farm Advisor, Farm Advisor's Office, U.S. Department of Agriculture and University of California.

Farm labor won't be too short this year, but next year it will be terrible. The reason is that industrial labor will double in the next year.

Right now the major difficulty is in getting cooperation from the U.S. Employment Service. They are so bound up with red tape that they cannot release unemployed for farm work. They have at present 2,100 farm laborers registered, but all of these insist on waiting for jobs in industry. High school boys will help, but labor is apt to be short at peak of vegetable season.

Prices of vegetables are apt to fluctuate severely now that Japanese are gone. Japanese rigged the market, regulating the supply to stabilize prices. Whites don't know enough to do this. Whites dump crops on market without regard to price. Their returns, therefore, are low, too low in many cases to pay the

rising labor costs.

4. Dewey Harper, temporary office head, F.S.A., 707 So. Spring Street.

Much more approachable than Richardson.

Says that F.S.A. has done a fair job considering. F.S.A. sent men out and contacted every Japanese farmer long before registration in an area took place. Forms were filled out giving data on size of farm, owner, manager, crops grown, stage of crop, equipment, etc.

Japanese who needed help were put in touch with prospective new tenants. Negotiations between them were looked over by F.S.A. man to see that everyone was treated fairly.

Almost all lands were transferred to new operator by lease. Average lease calls for \$22 per acre or thereabouts. This is somewhat lower than Japanese paid. Wages are rising, however, and thus lower rentals are justified.

Harper says that the large farms, Carson and Domingues formerly operated by many Japanese, are now run by many Mexicans and Chinese under same arrangement. White overseer dictates crops, etc. to the 50 or more tenants on these ranches of from 1,000 to 2,000 acres.

Whites have taken over small separate units and operate them. Acreage of these as opposed to large is about equal. Therefore number of whites is equal to number of Mexicans and Chinese, and acreage is also equal.

Complete tabulations will be made by Harry Oakley concerning number of F.S.A. loans made, number of farms and acreage transferred, type of new operator, etc.-will be made by May 12.

5. Additional to Smoyer above. Federal agencies are very ineffective in aiding Japanese. F.S.A. admits that it knows nothing about agriculture in southern California but won't ask for help from U.S. Department of Agriculture. Federal Reserve has not accepted its responsibility either. Freezing powers and custodianship sound well but mean nothing.

May 5

1. Leslie M. Hurt, County Livestock Inspector, 203 Administration Building, Union Stock Yards, Los Angeles.

Japanese operated 38 chicken ranches in Los Angeles County -- 212,000 chickens, 151,292 producing hens; 90 per cent of these are still producing.

Most of ranches were leased by Japanese, but a few were owned. Leases and sales have occurred in all cases and usually at a figure advantageous to the Japanese.

Most of new operators are white -- only one is not (he's Chinese). The large ranches have been taken over by the large organizations such as the Globe Milling Co., Gardena Milling Co., and Taylor Milling Co.

Usually whole plant and stock is disposed of in one transaction. Rarely are plant and stock disposed of separately.

Leases are made on a definite time basis, only one being made for "duration."

In only one of total cases was a manager hired or put in charge of ranch.

Out of total, 23 had less than 1,000 producers. Remainder were very large.

Were 4,450,000 chickens of all kinds in Los Angeles County in 1940. Therefore Japanese held around 5 per cent.

Your large hog ranches were operated by Japanese. All had over 1,000 head. Three were leased; one owned outright.

These are now operated by J. Marion Wright, Attorney in fact, 453 So. Spring Street, Los Angeles.

Ranches had total of 6,700 hogs or over 10 per cent of total in Los Angeles. All Japanese hogs are garbage-fed and represent 13 per cent of all garbage-fed hogs in County.

2. J. Marion Wright, Attorney, 453 So. Spring Street, Los Angeles.

Wright is attorney in fact for all Japanese hog ranchers.

There is plenty of chance to dispose of hogs alone at around \$15 per head on average. Because of garbage contracts, this cannot be done and hogs must go with ranches and contracts.

Wright and Army both want to keep ranches operating. Disposal will not occur until the price is right. Japanese will not suffer.

At present time, white managers are operating them under Wright's direction.

3. Rev. Fred Fertig, acting Young Peoples Worker, Japanese Christian Church, 822 E. 20th Street, Los Angeles (Fitzroy 5919).

Fertig is making a collection of Japanese publications and data gathered by Japanese organizations concerning Japanese evacuation. It will be available to us after May 15, 1942.

Dr. Constantine Panunzio of U.C.L.A., Sociology Department, has a class which is studying alien evacuation. Term report will be made.

Fertig says that Japanese suffered most early during the program. He agreed with Goldwater that many persons posing as government agents bought much personal property at ridiculously low prices. Practically stole it.

The Federal Reserve was too late to protect most Japanese. The mere announcement that evacuation would occur caused panic and foolish disposal of property. Federal Reserve fairly efficient now though.

The San Pedro and Terminal Island Japanese, the first evacuees, suffered most, and here property losses were terrific. Jews have been very tough in Little Tokyo.

Recreation is poor at reception centers -- government furnishes personnel (poor) but no equipment.

Homes are being sold and rented, mostly to Negroes. Some white defense

workers though.

Los Angeles Federation of Christian Churches has set up a corporation to manage Japanese properties. Has control now over 46 properties. Japanese Christian Church itself has power of attorney over several properties.

Army regulations permit a student in the center to go east (Middle West) to school if several conditions are met. These are so strict that few if any will go.

Raymond Booth, Executive Secretary of American Friends Service Committee (Sycamore 68159 (Pasadena)) is well acquainted with evacuation from San Pedro and Terminal Island.

May 6

1. W. W. Gray, The City Market Produce Merchants Association, Secretary-Treasurer, 943 $\frac{1}{2}$ S. San Pedro, Los Angeles.

Out of 250 doors in the produce market, 120 were owned by Japanese. At the present time there are only two vacancies due to the evacuation of Japanese. The absorption has been due almost solely to the expansion of old firms in the market. Nevertheless the evacuation has greatly affected the produce market. There is a shortage of experienced produce handlers, but inexperienced help has been substituted for the Japanese who have left and therefore conditions aren't as bad as they might be.

In leaving and liquidating their holdings, the Japanese had very serious losses. A large part of the losses is in good will, however, The Federal Reserve has attempted to help the Japanese in this business and has been of great assistance to some. Many of the Japanese fail to appeal to the Federal Reserve because of ignorance and fear of any dealings with the federal authorities.

It is thought that the Japanese control in the lettuce and celery was able to sustain the prices of these two commodities. Although Gray wouldn't admit that the Japanese acted as a group in marketing these commodities, he hinted that this was the case. This substantiates the belief of Smoyer (see May 4).

2. Report of L. F. Hammel to Don Cameron, both of the Union Bank and Trust Co., 8th and Hill Streets, Los Angeles. Report was made on February 6, 1942.

At 331 E. First Street are three stores and a hotel above, which are managed by the trust department of this bank. Hammel believed that by February 6 the business of the Japanese had fallen off by 75 per cent. The cafe run by Nunekayu Kimura could pay only \$60 per month when it had previously paid \$120. These are the estimates of a banker who stood to lose by lowering

the rentals. The confectionery store run by S. Andro had to request a reduction in rent of \$60 per month, 110 to \$50. Registration at the hotel, which had averaged from 50 to 60 transients per month, dropped to only 10 in January, 1942.

3. Minutes of the Little Tokyo Properties Owners. Union Bank and Trust Co. (see April 29).

Large owners in Little Tokyo are:

Elmo Dehail
 Alice Mackel
 Louis Most (agent for Anna Silverman)
 Katherine Hanley (agent is Isador Dockweiler)

4. Leon Brown, attorney, 621 So. Hope Street, Los Angeles.

Brown is now filing suit on a lease to a Japanese who refuses to pay \$500 out of \$1,500 still due on the lease. Case is Brown etc. vs. Oshiro. Case will be appealed by the loser in the trial court.

The Japanese took a terrible beating on the disposal of their fixtures. The Iwaki Drug Store sold a practically new cash register which cost \$700 for \$50. They almost never stored them with the Federal Reserve because they didn't know when they would be able to use them again, if ever. They didn't want to run the risk of their depreciation to no value during the war.

5. Miss Nason, office of Howard Hanson, Legal Department, Bank of America, 7th and Spring, Los Angeles. Trinity 4353, Local 524.

Bank of America, although holding mortgages on many Japanese properties, has had difficulty with only one since January 1, 1942. Trouble is expected soon, however, as Japanese evacuated will in many cases default in payments.

One flower farm in Gardena was foreclosed on on March 20, 1942. It belonged to one Siji Tomita. Appraised value was \$2,000. Original note was \$1,500; \$850 was still due when payments ceased in October, 1941.

6. Jim Short, Publicity Department, Teamsters Union, 846 So. Union Street, Los Angeles.

Teamsters Local No. 630 (730 So. Stanford Street, Los Angeles) had about 1,200 members, 500 of which are Japanese. The evacuation of Japanese was thought to mean the end of this union, but Japanese teamsters have been replaced by whites without difficulty. Is no shortage of teamsters (in produce industry).

Japanese make good union men -- are very active and cooperative, more so than whites.

May 7

Dr. Constantine Panunzio, Professor of Sociology, U.C.L.A.

Has data covering whole evacuation program to date, especially good on evacuation of San Pedro and Terminal Island. Data has a sociological orientation. Specific cases making up a good statistical sample were collected.

Deals especially with the Japanese as a racial minority, the constitutionality of moving the Nisei, the feeling of the Japanese and the whites about the evacuation, etc. Refuses to cooperate to the extent of letting me see his notes. Expects to publish conclusions in five or six months.

May 8

1. Harry Tobias, auctioneer, J. J. Sugarman Co.

Japanese losses were mainly in Japanese goods. They were able to liquidate their stocks of American goods at cost or better. The Japanese goods sold at one third below cost or more.

Sugarman bought the entire stock and fixtures for a lump sum. They have no way of knowing what the cost of goods they bought was. They didn't take cost into consideration in any case.

Tobias says the Japanese who sold their entire stocks to Sugarman came out better than those who tried to carry on their own liquidation sales.

2. R. Nishimoto, owner of Japanese novelty store at 344 E. First Street. This man is a college graduate and quite well educated. He estimates that Japanese losses were in the panic period immediately following the evacuation of Terminal Island.

The Japanese who own their own homes are renting them to anyone who is willing for nominal rents of from \$5 to \$20 per month. They only wish to cover taxes and upkeep on them. Many takers are to be found among the Mexicans and Negroes. It would appear that the effort of the property owners to exclude Negroes from Little Tokyo will be abortive. These homes that are being so rented are in the Boyle Heights district which is adjacent to Little Tokyo.

Nishimoto says that all the Japanese knew that there would be a war when Kurusu came over but not before. The idea that the Japanese intentionally reduced their inventories is sheer nonsense. The Tomio Co., which was the next largest firm in Little Tokyo (next to the Asia Co.) which I had had in mind, has reduced its inventory in the last year, but only because Tomio was in bad financial straits and lacked either money or credit.

The reason why the Japanese are not storing their goods with the Federal Reserve Bank is because they fear that they will never be allowed

to return to California, or at least to Los Angeles. They could therefore never use their fixtures or their heavy equipment on which their losses are heaviest. What they are storing they prefer to store in the temples or in other private storehouses because they feel that the temples are theirs and that they still have control of their goods. Some also feel that the lack of insurance over goods stores with the Federal Reserve is too much to overlook.

A restaurant at 313 E. First Street is completely boarded up. The brother of the owner says that the reason for this is that too poor a price was offered for the equipment therein and that consequently they were going to keep it vacant for the duration. The building in which this restaurant is located is quite modern, and were it not for this policy with the restaurant, would probably be one of the first to rent in this area. The Sumitomo Bank was also in this building. If this policy is followed by many other Japanese, it is liable to mean that this area is completely vacant for the duration for no businesses dependent on foot traffic would rent here. Property is managed by F. W. Kadletz Co., 1058 So. Grand Street.

3. Melvin Hoffman, attorney, 2326 E. Anaheim, Long Beach, California. Hoffman has power of attorney for the owner of a Japanese bookstore at 303 E. First Street. Hoffman says that he believes that the average losses in this area run about 70 per cent. Most of these losses could have been avoided if the Japanese had not tried to liquidate so rapidly. After the Terminal Island affair, they tried to get rid of their entire stocks and fixtures within a week. As a result the Jewish dealers had a field day and at the same time won the gratitude of the Japanese whom they so philanthropically bought out. The Japanese realized too late that there wasn't the hurry that they supposed.

4. Helvey, Secretary at the F.S.A. Helvey has weekly summaries of the number of farms, their acreage, number of new tenants, number of farms taken up,

acreage of farms taken up, percentages, W.F.A. loans approved, and the number of farms covered by these loans.

Weekly data should be gathered because there have been turn-backs by the new operators which won't show on the total figures. In the Los Angeles area 5 farms were turned back to the F.S.A. last week by the new operators. Reasons for this are not kept by the F.S.A.

May 11

1. Mr. Robinson, liquidator, the Yokohama Specie Bank and the Sumitomo Bank, Los Angeles State Banding Department.

The Yokohama Specie Bank made only one real estate or line of credit loan, or it had only one on the books when the liquidator took over. This was on the Buddhist temple at E. First and Los Angeles Avenue. On this loan the liquidator expects to take a large loss. The other loans consisted of loans against Certificates of Deposit with the head office in Japan. The Japanese who held these C.D.'s have been very good about paying up their loans even though they can't collect their C.D.'s. Robinson expects to collect most of these. The Sumitomo Bank also made this kind of loan. Robinson says that this bank is one of the easiest banks that he has ever liquidated because of the good faith of the Japanese. They are singularly honest people.

2. E. H. Sink, Loan Department, The California Bank, 625 So. Spring Street, Los Angeles.

The California Bank holds many mortgages on the residences of Japanese in Los Angeles, but none on Japanese business property. This bank sent letters to all Japanese debtors as soon as war was declared, asking them to come in and discuss their loans. Arrangements were made at this time for property managers to take over as soon as evacuation occurred. As a result the bank has not yet been forced to foreclose on any of the evacuees, although it may have to wait some time before collections are made. Several of the Japanese came in voluntarily and paid off the balance of their loans. This bank does not expect to lose a cent on its Japanese loans. In most cases it recommended L. E. Robb Co., a real estate management company to the Japanese. About 100 of the properties on which it holds a mortgage have been put in the hands of this company.

3. Mrs. Rietz, Y.W.C.A., 715 So. Hope Street, Los Angeles. All of the information which she has should be available to Dr. Thomas, since they both serve on the same committee. She, along with allied workers, has sent questionnaires to about 50 per cent of the Japanese college students in southern California and to many of the Japanese high school students. Samples are attached. Her list of Japanese students is available to us if we should want to circularize them ourselves. Her interest is solely with the education of the Japanese.

May 12

Mr. F. A. Kadletz, F. W. Kadletz Co., 1035 So. Grand Avenue, Los Angeles.

Kadletz is a manager of property and an attorney. He has for some years been manager for Japanese and is extremely well informed about Japanese properties and the evacuation. He is also well acquainted with many of the Japanese business men in Little Tokyo.

The flower market has been divided before the evacuation into two parts, one controlled by the Japanese and the other by whites. The Japanese market, which is between 7th and 8th on Wall Street, amounted to \$40,000 last year and will amount to only \$20,000 this year. The Japanese lost not only their businesses but also lost out in the disposal of the equipment which is necessary to this business. One large company sold equipment that cost \$40,000 for \$28,000. This sale was of ribbons, shears, and other things which are always in use around any nursery company. The whites are now in complete control of the flower market, and it is extremely doubtful if the Japanese will ever get back in. Previous to the evacuation there was much rivalry between these two groups.

Kadletz believes that the Japanese lost most heavily in the Little Tokyo district. He doesn't know what will become of this district. The Jews bought out all the worthwhile stocks at ridiculously low prices, and the property owners are left holding the sack. Leases are being canceled right and left, and there is little if any hope that anything can be collected on the unexpired portions. Buildings that previously brought good rents now go begging. Not so much difficulty is being experienced by the owners of residential property, for the Mexicans are ready and anxious to move. The few residential properties managed by Kadletz are already rented and at fairly good rentals. It seems obvious that rentals of business properties will fall more than 50 per cent. He is offering properties over which he has control as follows:

Store building across from the Tomio Co.	\$ 75, was \$250
Store at First and Central	\$150, was \$250
Yokohama Specie Bank (to liquidator)	\$300, was \$650
Sumitomo Bank	Was \$500; now he'll rent for anything he can get.

Kadletz suggests that we divide the study in at least one way -- the period before the freezing of Japanese and the period after the freezing. These two periods are quite different. A good bet in obtaining information about the early period would be to go to California Hot Springs near Fresno where a great many of the voluntary evacuees went. Here we could get the first-hand information about their movement and their losses.

2. Captain Cunningham, U.S. Employment Service, Los Angeles.

In order to secure passes to go into the reception centers, we have to get in touch with the civil authorities at these centers as follows:

Santa Anita, Mr. Wilkinson

Pomona, Mr. Spencer

Manzanar, Mr. Clayton W. Trigg

If these persons should refuse to let us in after using Captain Cunningham's name, we should get in touch with the Provo Marshall in Pasadena.

3. S. V. Beach, 6516 Selma Avenue, Hollywood.

Beach's company, The Real Estate Management Co., controls 40 business properties in the Little Tokyo district. The 4 hotels in the center of this district are almost empty, and it is expected to be a long time before their business picks up.

Real property in this district is assessed at \$10,000,000, with ground floor rents of \$100,000. Rents are down to almost zero at present.

Anti-Semitism is strong among property owners and realtors. The Jews

are to blame for the condition of the Japanese. Now the district attorney is going to try to claim land held in violation of the Alien Land Act so that it will escheat to state. Clyde Shumacher of this office told Beach confidentially that a large amount of property would be claimed.

The fate of Little Tokyo is very problematic. Beach has already been approached twice to rent buildings to prostitutes. Although they pay four to five times as much rent as legitimate businesses, the danger of closure and complete loss of rent is too great. He believes that *James Namy* will do something along this line. It may become a skid row.

Property managers such as this have used the threat of freezing by the Federal Reserve very successfully. Beach has completely stymied a mortgagor on one of the properties he manages by threatening to go to the Federal Reserve. *Mr. Learned* rather than Bold or Ewing is the person to see at the Federal Reserve.

Japanese have neglected to go to the Federal Reserve or have not received the same treatment as have such men as Beach. They don't know their rights. *i.e.* the Olympic Hotel was taken over by the Western Loan and Building Co. Beach offered to manage it and prevent foreclosure, but the Japanese refused because they thought he couldn't and would cause immediate foreclosure. Richardson *J* this Western Loan and Building Co. is son of ex-governor of California and couldn't hold his job but for pull. Whole business was very shady. This explains why Richardson threw me out. Probably he threatened Japanese and thus prevented appeal to Federal Reserve (see April 28).

Beach agrees with Kadletz that residential property won't go begging. He has some and all but one are rented.

Beach also says that all fire insurance was canceled on Japanese-owned or -operated establishments as soon as it became known that evacuation would occur. Even so, it was too late to prevent some incendiarism. This probably explains why Kadletz is carrying only \$12,000 insurance on Buddhist temple

where goods stores are worth over \$40,000 (he says). He probably can't get any more. (See article in The Apartment Journal -- this was written in effect by Beach.)

May 13

1. Brent Schumacher, F. S. A., Civil Control Station 38 E. California Street, Pasadena.

Schumacher was very frank and went over all cases handled by the F.S.A. at this station.

Originally there were some 120 farm properties operated by Japanese in this area, but only 50 registered as farmers. The remainder evacuated voluntarily some time ago. Schumacher believes from what he's heard that they went mainly to Utah.

The efficiency with which the F.S.A. operates depends on the manager of the regional office. At Burbank where Schumacher was, Larsen of F.S.A. regional office there did an excellent job of lining up Japanese operators and supervising transfers before Civil Control Station opened. As a result of his excellent work, the transfers of property by Japanese were exceedingly satisfactory, and F.S.A. has no record of particularly raw deals. The reverse is the case in Pasadena. Schumacher has been unable ^{even} to get past the secretary of the manager of the regional F.S.A. office. This man has made no effort to advise and guide Japanese, and as a result there are many pitiful cases on record.

Schumacher says that contracts made by Japanese prior to registration at Civil Control Station are not interfered with (frozen) for would involve too much litigation. Therefore protection of F.S.A. rests solely on the efficiency of the regional offices and on what little pressure the F.S.A. at the Civil Control Station can put on the parties involved.

On the average the Japanese lost same as would anyone else being forced to liquidate. Also, whites can't pay the value that Japanese would because labor costs are so low to Japanese. Nonetheless, some very raw deals are recorded at his office.

2. Hoyo Umoso operated a farm under lease at 1808 Raquel Road, El Monte. It was a 25-acre tomato farm. Last year gross [?] *income* was \$12,000, with net between \$5,000 and \$6,000. The crop now is due to be harvested in August was sold back to landowner for \$525. F.S.A. did nothing for Japanese as contract made prior to registration.

3. E. D. Taylor of Pasadena is buying a nursery at 4920 Oak Grove Drive from a Japanese. Japanese claims that the carnation crop and equipment is worth \$1,000. Taylor argued that he didn't have use for carnations for he planned to raise Bella Donna. He therefore paid the Japanese only \$50 for the nursery. Now the Japanese, M. Kubo, wants to go in and sell off the carnation slips there, but Taylor won't let him, even though he doesn't plan to sell them himself. Schumacher is trying to get Taylor, a rich man, to let Kubo do it but Taylor is just naturally mean and won't.

4. E. Manchester Boddy of the Los Angeles News is leasing a great many large nurseries in this area. He leased one in Burbank for \$100 per month for a three-year period. This nursery grossed \$5,000 in April this year. Boddy is always one jump ahead of F.S.A. and closes deal before Japanese are guided by F.S.A.

D. M. Hunsaker is attorney for many of the Japanese in this district. Would have much data. (449 E. Alhambra Road, Alhambra, Calif.)

5. Clyde C. Shoemaker, Assistant District Attorney, Los Angeles.

A very large quantity of land and other real property will be claimed by the state under escheat under Alien Land Act. Much evidence has been gathered but no information is available yet. When suit is filed (first one) a copy of the complaint will be made available to me. Call about June 1 in regard to value of land claimed, etc.

A large-scale map of Los Angeles County is in the assessor's office,

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John *Quinn*, which shows all the property owned by Japanese or operated
by them. It was prepared by Ryan Shoemaker, County surveyor, and *?*
Was used by War Department and is one reason why Japanese evac. A copy is in
hands of Earl Warren.

May 14

1. Civil Control Station, Fifth and Los Angeles, Los Angeles.

I went to this Station to see exactly what constituted the medical examination. Here I found that Schumacher (see May 13) was right and the evacuees are put through their medical at a fast dog trot. It is exceedingly superficial. Before being thrown out by the manager, I talked to a negro woman social service worker to see exactly what she did. It has been said that these particular workers did little more than find out whether the Japanese loved Jesus or not. I think that this is largely true for she was very efficient at giving the evacuees the brush off. In fact, all she did was send the Japanese somewhere else. A few well placed signs could have done as good a job. In one case, the social service worker, when informed that a certain Japanese was in the hospital unable to be moved, suggested that the sick man go to see the Provo Marshall about being allowed to remain in the hospital. This makes absolutely no sense at all but it was exactly what the worker said. (Schumacher told me this in Pasadena)

The manager threw me out in a polite way because we don't have yet written permission from the head office to carry on this study. He said that my presence upset the Japanese considerably, since I was not a regular ^{time} employee of the War/Civilian Control Authority. This is the first time this has happened and I believe it is due to the desire of this man Harris to show authority.

The Federal Reserve Counselor at this station holds that as the evacuation goes on, more and more Japanese are voluntarily arranging for the storage of property, and the management of property, or its disposal. Very few requests are now being made for Federal Reserve assistance. This tends to corroborate others who say that the Japanese have lost faith, if they ever had it in the willingness

or ability of the Federal Reserve to help. The Federal Reserve Counselor here is an ex real estate salesman. All in all, Federal Reserve men don't seem to have the humanistic manner that Farm Security Administration or Employment Service people do. They just have an unpleasant job to do and make efforts to dispatch it as quickly as possible. They don't have the interest of the Japanese at heart and don't go out of their way at all to help.

2. Board of Fire Underwriters of the Pacific, 548 S. Spring St., Los Angeles.

The statement made by Beech that fire policies on Japanese properties were cancelled seems to be false. The board has no knowledge of a general policy of cancellation, although certain companies are doing so, while others are writing new policies. No charges of incontinence have come to the attention of the board.

3. Chief Underwriter, Glens Falls Insurance Co., 548 S. Spring St., Los Angeles.

This Company has not heard of cancellation either. None of the auto (inland Marine) will write new insurance on Japanese owned cars although while there seems to have been a great many requests for it. Japanese have attempted to get full coverage on cars stored at Santa Anita, but have been refused.

May 15

1. Mr. Rickerson and Mr. Richardson of the Western Loan and Building Co. Mortgagors of the Olympic Hotel.

This company is obviously engaged in some kind of shady transaction regarding this property. It will be very interesting to follow this transaction thru because Richardson says that this company has appealed to the Federal Reserve about something which he refuses to tell me about. He refuses to give any info because he says that the whole deal is in the hands of the Federal Reserve. I hardly see why this org would appeal to the Federal Reserve since it is the creditor. If anyone appealed it would normally be the debtor. Although Richardson is the head of this Company here on the Pacific coast, he doesn't know the name of the man in the Federal Reserve who has charge of this deal. He says that it is someone in San Francisco. I called the names of the Heads of the San Francisco office but he said it was none of these. According to Bold, Chief of the Federal Reserve activities in the evacuation program down here, no cases in Southern California, would go thru the San Francisco office.

2. F. C. Bold, Federal Reserve, 707 S. Spring St., Los Angeles.

The Federal Reserve in Los Angeles has no record of the Olympic Hotel nor of the Western Loan and Building Co. Bold says that the Western Co. must have agreed with the Japanese Owners or visa versa and taken it over. The property must have been owned by an enemy alien, so a license had to be obtained in order that the transfer take place. This license would have to be obtained from Everson in the San Francisco office. The conclusion which must be drawn is that the Japanese failed to ask that the creditor be prevented from taking over the property. Thus the Federal Reserve was not interested except in so far as it granted the license to transfer. In this case, the Federal Reserve did not enquire into the consideration for the transfer. This is another example of the

passive attitude and position which the Federal Reserve takes. Bold admitted this afternoon that the Federal Reserve would do anything in its power to avoid managing property. It does not now have any real property which it manages. Its sole activity consists in putting pressure on creditors when requested to do so by the debtor.

Bold said again that in his opinion the Japanese were coming out fairly well. He admitted that he was acquainted with only the cases which had been brought to the attention of the Federal Reserve.

Bold said that the Japanese were taking this transfer of their persons and property very well, even better than some of the whites who were losing by the evacuation were. He said that "Washington" had been informed of the activities of a group of property owners who were attempting to have their Tax assessments reduced and planned to try to raid the public purse to recompense them for their losses in rentals due to the evacuation.

3. Harry Oakley, F. S. A., Los Angeles.

Oakley says that he thinks that the mere existence of the Farm Security Administration has been sufficient to scare most of the whites into dealing fairly with the Japanese. Very few farms have been taken over by other than whites. He doesn't believe that the efficiency of the Farm Security Administration has been due to the existence of regional offices as did Shumacher (see May 13) but due to its powers to review and freeze transactions, although it hasn't done this. The consensus is that the Farm Security Administration has done a better job than has the Federal Reserve. It is not their powers that do the good then, but the fact that they already had an organization in the field which was fairly well acquainted with agricultural problems in this area. The failure of the Federal Reserve to do as good a job has been due to its inexperience and to the fact that it had to start from scratch. The farm security advertised its presence

and made a positive effort to contact the evacuees before registration at the Civil Control Station.

The records kept by the Farm Security Administration at the Civil Control Station which show details of transfers will be found at the offices of the Farm Security Field agents attached. We should call on these after evacuation has occurred and go thru their files.

The second attached sheet shows the difference in size in farms in Imperial Valley as opposed to Los Angeles Co. Special attention should be paid to these transfers.

May 18

1. Esther Rhodes, Americans Friends Service Committee, 544 E. Orange Grove Avenue, Pasadena, Calif.

This organization has had much contact with the evacuation program but its information consists of mere rumors in most cases. No one seems to know the source of much of their data. One such rumor is very interesting to me since it involves an attitude taken by certain state officials which is extremely detrimental to the Japanese. The story has developed that the state is cracking down on many Japanese merchants on the grounds that they are not paying as much sales tax as they should. In the case of the urban merchants such as those in Little Tokyo, this did not occur, but it has been frequent in the case of certain nurserymen and others whose business is partly retail and partly wholesale. According to Miss Rhodes the claims of the state are exorbitant and in no way related to the usual retail business done by the Japanese involved.

This organization has the same criticism to make of the Federal Reserve that I have made many times before. They don't make any positive effort to help the Japanese. Also they say that the Federal Reserve personnel is nowhere near as good as that of the Farm Security Administration or the Federal Security Agency. It's a question, they say, of poor personnel and lack of readymade organization. This organization is interested primarily in persons and not things. Consequently they have practically no information on property or property losses. One case that did come to the attention of Miss Rhodes concerned a \$65000 ranch near El Centro. The mortgage was only \$9000 with a \$3000 loan from a Los Angeles Produce Marketing Organization. When the Japanese was arrested (sent to Internment Camp) the Produce Marketing Organization immediately started on attachment suit. This claim should have been paid off

by the delivery of this Japanese's tomatoes to the Marketing Organization . However, the Marketing Organization was transferred from Japanese to White management and it was badly upset so when the tomatoes arrived, many were allowed to spoil, so that the proceeds wouldn't cover the \$3000 loan. This case was finally settled, although the Japanese lost this years entire crop which should have netted him between two and three thousand dollars.

Conditions in Camps, especially Santa Anita is quite bad. Far too crowded and food is bad. There are now 18000 at Santa Anita, and the rumor is that 7000 more will go there. The Army has had a great deal of trouble with Japanese cooking in their own quarters. All hot plates, coffee makers, etc. have now been confiscated. Their use has in part bodily upset the electrical system, blowing out fuses and the like.

Another rumor of interest is that the Japanese will be farmed out by day to neighboring ranches. Minimum wages will be enforced, and the Japanese will have to return to camp at night.

This organization has had very satisfactory results in the transferring of university students from centers to inland schools. It is impossible to obtain the release of Japanese for jobs inland. This organization offered a position to a Japanese and his wife in their organization, but were even then unable to obtain their release.

Many of the voluntary (early) evacuees went to the environs of Porterville, Exeter, and Strathmore.

A cooperative of 200 Japanese is now functioning at Strathmore.

The only case where evacuees were uncooperative with the authorities was at Covina, where a large group of persons, one-eighth Japanese, were evacuated. These persons were all married to whites, some of fairly good standing in the community. They lived among the whites and were regarded as whites by their neighbors. They didn't think that they would be evacuated at all and were

therefore unprepared when evacuation was ordered. As a result, the white member was forced to stay behind to look after the property. They also intend to do everything possible to obtain the release of their families.

2. Lieutenant Gifford (Santa Anita Gate officer)

The job at the gate is difficult because of the masses of people who come out to visit Japanese friends. Unable to obtain passes to enter, they write to the Japanese and arrange to visit them at the gate at a particular time. All trades entering and leaving Santa Anita are censorily searched.

May 19

1. Joseph Choate, attorney for Hori Bros.

Hori Bros. is a partnership with one partner in Japan, one in Montana, and two at Manzanar. It was locked up by the Treasury in December and license to liquidate was granted only two weeks before the evacuation took place. Liquidation was therefore very rapid. Choate, the attorney, sold the contents of both stores to I. G. Wartnick, a liquidator (Jew) for "60 cents on the wholesale dollar," 60 per cent of cost.

Choate believes that in light of the circumstances, this was as good a price as could be obtained, especially since much of the inventory was of Japanese manufacture and for Japanese consumption only.

Choate has been to Manzanar several times. He says that many of the Japanese there don't expect to live through the summer heat. Conditions there give rise to constant complaint by the Japanese.

2. J. Marion Wright. Wright has had the business of many eminent Japanese since 1913 and is therefore very well qualified to judge the legal status of Japanese property.

He says that the probability is that very few cases will be won by the D.A.'s office. The reasons he gives are:

- (1) The statute of limitations has run on the criminal side.
- (2) On the escheat, or civil side:
 - (a) Many of the principals and witnesses are dead.
 - (b) Japanese cannot be forced to testify unless granted immunity from criminal prosecution; very few judges would grant this.
 - (c) Japanese cannot be brought out of centers to court.
 - (d) Liabilities (mortgages especially) attach to many Japanese properties so their escheat to state would give state a

greater liability than it did asset.

- (e) Conspiracy to circumvent act must have been continuous or statute of limitations would have run on civil too.
- (f) Mortgage companies and banks will fight state, too, for fear of losing.
- (g) Preponderance of evidence has to demonstrate conspiracy.

Wright does not believe that the value of property which state will attempt to claim will be great, nor will the number of suits instituted be great.

This whole idea is the baby of Shoemaker. It is likely that the whole thing will be dropped either by Shoemaker because he knows he can't win, or else Dockweiler will quash it.

Wright has heard that the Board of Equalization has attached many accounts because sales tax payments haven't been high enough but believes that state claims here were justifiable.

Wright says that the Alien Land Act was a dead letter for ten years till Shoemaker got started. U. S. Webb said that it was a dead law because Japanese could legally buy property as guardians of their children. These guardianship arrangements can't be questioned by Shoemaker.

All of this is Wright's opinion and must not be quoted without his permission. He is now active in one case against Shoemaker.

May 20

1. J. M. Williams, Vice President, Bank of America, Long Beach main office.

Williams was quite interested in the evacuation from the start since he is quite well acquainted with several Japanese families. He says that the people of Long Beach took a much more hard-boiled view of the whole evacuation and favored rather more rough and summary treatment of Japanese than did people of other cities in this area. The reason for this is to be found in the fact that one exceedingly prominent Japanese doctor, club member, etc. of Long Beach was shown to be the leader of a Japanese organization very unfriendly to the United States at least, if not actually an espionage group. This brought to the attention of the people that any Japanese might be dangerous.

Strangely enough, of all the cases of property transfer that have come to attention of Williams, none have been very detrimental to the Japanese. This bank had only one Japanese client who asked the bank to manage his property. The Japanese himself subleased land to a neighboring Filipino, while the bank pays the taxes out of the account of the Japanese. The rental is not lower nor higher than is paid for similar property.

Japanese deposits at the bank have declined to almost nothing. This is contrary to the experience of the Los Angeles City banks. He doesn't know where the Japanese money has gone but suspects hoarding.

Williams suggests that Vincent Hackett in Long Beach would probably have lots of dope on personal property. Hackett worked with the Federal Reserve in the evacuation of Long Beach and Terminal Island. Hackett not in his office anymore. Call residence for appointment.

2. Mr. Murphy, Postmaster, Wilmington.

Murphy has known of several cases where Japanese came out very well, and several where Japanese lost out badly. In Wilmington Japanese farmers and florists sold mainly to Filipinos, though Wilmington itself has a rather small

Filipino population.

One very rank case was brought to attention of Murphy by one Emil Menveg, a real estate operator in this town.

One Japanese farmer in Wilmington had 6,000 crates of celery to sell before evacuation. He could get no bids from anyone except one Jew from Los Angeles. Jew offered 10 cents per crate (it costs at least 10 cents to pick and crate it). Japanese refused to sell at that price, hoping to find another buyer. He failed to do so and finally sold out to Jew who now would buy only 3,000 crates. Three thousand crates rotted. (See June 4.)

I tried to check on this case to get names, etc. from Menveg. (623 Avalon Street, Wilmington). Menveg out of town for day. I looked for record of it at San Pedro F.S.A. They had none -- see below. (See June 4.)

3. Hustace, Cashier Fishermen and Merchants Bank, San Pedro.

This bank had many Japanese depositors but has almost none now. Contrary to experience of Los Angeles City banks.

Bank has had a field day making loans to new operators. As far as Hustace knows, fair deals were made between Japanese and new operators. The prevalence of loans made privately by banks such as this to new operators would indicate that F.S.A. requirements are too stiff, or else new farmers don't have any wish to obtain government loans because of strings attached.

4. F.S.A., Field Office, 362 W. 7th Street, San Pedro. (Now being consolidated with Torrance office at 1927 Carson Street, Torrance.)

Final report of J. L. Stewart, field agent, F.S.A., (in charge of Civil Control Station). Harry Oakley and Stewart have copies, should we want complete copy made.

Social welfare workers failed to ask Japanese if they were farmers. Only those who so declared themselves and asked for help ever got to the F.S.A. at the Civil Control Station. As a result, not over 10 reports were

filled out regarding farms in Long Beach, Wilmington, or San Pedro. When this terrible oversight was noticed by F.S.A. on Saturday (day Civil Control Station closed), it was too late to do anything. Therefore on Sunday four crews of F.S.A. employees went out and covered every farm in this area separately. Report forms were not completed if deal by Japanese with new operator was already completed. Most were, by this time, of course, and therefore data are very very poor.

The field agents discovered on their Sunday survey that:

- (1) A Mr. Moore in Long Beach was going around to all the Japanese and buying all the pipe that they had on hand. He was paying only from *.03 to .05 per foot* for this pipe. Evidently this is robbery, but I haven't had time to check the price of pipe or to see Moore either. (See June 3.)
- (2) One Japanese admitted that she favored Japan in the present war, saying that pretty soon we would be working for the Japanese instead of them for us. She admitted that she deliberately ruined her crop. She didn't want us to get the benefit of her effort in any way.
- (3) These first evacuees evidently suffered more from the depredation of whites than have the later ones. There was one case recorded in which a stove and refrigerator were just taken back by the seller without so much as saying anything to the Japanese about it. No further information is available on this, for it was reported to the General Electric Co., which promised to look into the matter. Here was a job which should have been attended to by the Federal Reserve, but so far as I could find out, they didn't touch the case. Repossessor was The Little Giant Electric Co. of Los Angeles.

(4) There were a few small thefts, but none of any consequence. The police put on extra patrol cars to watch over the Japanese properties. (I know of one case in which little was taken. The employees of the Union Oil Co. in Wilmington helped themselves to the truck vegetables of a neighboring Japanese farmer.) Evidently the thefts in the area were all of this petty nature.

(5) The Federal Reserve refused to store the farming equipment of the Japanese. Many asked that this be done. Now the F.S.A. will do this, though strangely enough the Japanese have quit asking them to do so. Evidently when they have time, they prefer either to sell or lease it.

I looked over the individual reports made at the Civil Control Station. They are in terrible shape, containing almost no information. In some cases this was undoubtedly due to the necessity of the Sunday summary mentioned above, but it is also clear that the F.S.A. interviewer was not experienced and did not care whether a good job was done or not. Many reports were marked complete when no record of transfer was made. In some cases a tenant had not yet been obtained, and the deal was forgotten and only discovered when Oakley and I went over the files. Of course, it is almost too late now to do anything about it. Perhaps the Japanese found a new tenant himself, but he didn't get help from the F.S.A. which he asked for.

Oakley says that most of the crops were cared for and no crop losses resulted. Only 10 farms were actually abandoned.

May 21

1. B. B. Jenks, Cashier, Covina First National Bank, Covina (Ref. J. G. Hodges)

One case known to Jenks is illustrative of the Federal Reserve inefficiency. Two Japanese brothers owned a \$8800 equity in a \$13000 ranch. They gave power of attorney to holder of trust deed (\$4200). Federal Reserve approved this. Jenks saw the danger of giving such power to the creditor (also creditor here not too trustworthy). He talked to the Japanese, and then asked Federal Reserve to reconsider and disallow it. Federal Reserve refused.

This bank had a few loans to Japanese. These have all been collected now (except for \$ 50 which is due shortly)/ Deposits of Japanese in this bank have increased since December 7. (Similar to Los Angeles City banks, opposite from Wellington and San Pedro and Long Beach.)

Rutherford, president of the First National Bank of Vista, told Jenks that he had 40,000 loans to Japanese out of 300,000 total loans on December 7. He began immediately to liquidate these and now also has only 50 outstanding (bad banking tho). Some of these loans were new loans too.

The people of Covina do not like Japanese and do not want them around anymore at all. They favor shipping them all, aliens and citizens, back to Japan. If this isn't done they will at least refuse to rent or sell to them again. This has always been the policy of the people of Corona. There have never been any Japanese there at all.

There were a few cases of petty thievery, but nothing of importance. There is the usual sit of stories about the repossession (or theft of partly paid for household equipment.)

On the whole, the Japanese came out fairly well in disposal of properties. They are being taken over by whites, Mexicans, and Chinese. The Chinese are a very important group now. They come from cities in many cases and are not

experienced farmers. They form associations or companies. The bank at Baldwin Park has many of these new Chinese accounts.

2. Ray Finch, Farm Security Administration agent, Pomona.

125 farms, all truck in this area. All have been transferred, and no crop loss has resulted. Crops are lettuce, cabbage, and strawberries. New operators are half white, one-fourth Mexican, and one-fourth Chinese. (Whites will quit strawberries.)

The Japanese came out very well here. Sixty days before evacuation, Finch began to foster transfer and advertised Farm Security Administration aid in newspapers and the like. Farm Security Administration made six loans here. Practically every farm had been transferred before registration. Finch has complete data on every farm, parties involved, and terms.

Evidently Finch went beyond the care of real property, for he advised on the sale or storage of personal property as well.

No thefts were reported in this area at all.

All transfers were for a fixed time and not for duration, thanks to Finch.

Farm labor situation is likely to be fairly acute this year, but the change over from truck to field crops should minimize the strain.

Finch does not believe that the people of Covina or anyone else will exclude the Japanese after the war. The landowners like the Japanese because they can pay such high rents. (They have no labor costs.)

3. Strobel and Ward, Farm Security Administration, Civil Control Station, 3557 Main St., Riverside, Calif.

All real estate has been transferred, due to activities of the Farm Security Administration agent, Ruoff, before registration. Average of ranches is about twenty acres but dispersion is great. One very large (500 acre) ranch taken over by Liberty Groves Co. for \$12000. The crop is growing now, but might go bad.

If the crop is good, Liberty Groves will net about \$10,000. (A high profit for \$12,000.)

Much of the trouble experienced by the Japanese was the indisposal of farming equipment. There doesn't seem to be anyone willing to store it (Federal Reserve or Farm Security Administration). Heavy losses sustained on it.

4. Ed. Ruoff, Farm Security Administration Agent, Riverside, 201 Lewis Building.

Ruoff is in charge of both Redlands and Riverside areas. There is great distinction between these two. Onions in Riverside and fairly small farms, with citrus in Redlands, and larger ranches.

Every single Japanese holding in Redlands was transferred to one of the large citrus houses (i.e. Sunkist, Blue Goose, etc.) who operate on commission. They act merely as managers. This is exceedingly favorable to the Japanese.

At Riverside, holdings are smaller. Here, large organizations are not prominent as new operators, but every single new operator is white. There are no Mexican or Chinese. Whites intend to raise tomatoes, hay, etc, and onions will disappear completely.

May 25

1. Miss Enid Schmidt, Civil Control Station, 2923 2nd St., Los Angeles.
Permanent address, 2832 Sacramento St., San Francisco, Phone Fillmore 0899.

Only four farms were registered at this station, all previously having been cared for and transactions complete. The number of Japanese involved are only half what were expected. Many must therefore have been registered and moved out over other stations.

Miss Schmidt was at the El Centro station and says that some very interesting things took place there. The Field agent of the Farm Security Administration, one Schenck, seemed to take orders from Small, the Federal Reserve agent there, and refused to cooperate with Miss Schmidt. Small has been a resident of Imperial Valley for some years and has some property there. Miss Schmidt says that as early as March 1, Small went around advising the Japanese to sell out immediately, saying they would probably be moved the next day. Japanese property had been disposed of before registration, and the Federal Security Administration records at Brawley should bear some evidence of the collusion of Schenck and Small and their dealings in Japanese property. Small must have profited in some way.

Ken Nishimura at Parker, is organizing the Japanese out of Imperial Valley to form a cooperative and buy up land in Colorado. They plan to buy 17,000 acres and farm it collectively. He was previously head of *Holtville* Coop in Imperial Valley.

2. Sam Smith, Federal Reserve Counselor at the Civil Control Station.
Refused to talk.

3. See John Brown, head of Southern California Floral Association,
Between 7th and 8th on Wall St. (Clipping attached) Los Angeles News, May 25.

May 26

1. See Smoyer, Tom Clark, and Stuart Walsh next week. Also Com. ^{Ringle} Wringle.

2. Clarke Ewing, Federal Reserve, 707 S. Spring St., Los Angeles.

During the last week, and not before, the Federal Reserve has been notified, sometimes two or three times a day, of houses, autos, and other property of Japanese which has been abandoned. The quantity is becoming large enough to be of real importance. Ewing says that the Federal Reserve does not have the authority or the obligation to do anything about this abandoned property. They do not intend to touch it.

3. Mary Sabusawa, Federal Security Agency, 707 S. Spring St., Los Angeles.

Mary is a Neisi who has been employed to act as information clerk and interpreter. She believes that the Neisi are 100% loyal, but that they are becoming embittered because of treatment during the evacuation. The Japanese boys who were in the army and are being discharged are especially bitter. They feel that they, as American citizens, are being definitely discriminated against in such a way that their future economic position is impaired. They feel that the evacuation of Neisi was due not to a feeling that there was danger of sabotage, but by pressure groups who finally cultivated public opinion to the point that the army did it to show that they were alert to danger. (This idea was also expressed by Spencer, below) The pressure groups mentioned were the Associated Farmers and other large landowners. They claim that Neisi will never be able to come back, because the war will develop such antagonisms that they will never be recognized as Americans. They are really an anomaly, since they really have no country. They will not be accepted here ever again, nor will they be able to go to Japan even should they want to.

She believes that of all the government agencies, the only one which has the respect of the Japanese is the Farm Security Administration. The others have done almost nothing but bother them. The principal reason for this is that

the Farm Security Administration personnel has a friendly and rather liberal attitude, while the others are careful to do or say absolutely nothing not related to the particular transaction involved. Their attitude is that they are giving charity and what they do should be appreciated.

The Japanese won't store with the Federal Reserve because they fear that their belongings won't be sent to them when they want them at their permanent settlement.

4. Fred Farr and Spencer, Farm Security Administration, 707 S. Spring St. Los Angeles.

Spencer thinks that the evacuation was due principally to the pressure put on by various interests, chief among whom are the associated farmers. Spencer is something of a "wild man," and I don't believe that his opinion is based on any good information.

He thinks that the agencies other than the Farm Security Administration have done a quite poor job, and blames it on personnel. He says that the ~~Wartime Civilian Control Administration~~ (Eisenhower) is apt to also do a poor job, for its personnel is made up of lower employees of the other government agencies and not of the best at that.

Farr reports that something is wrong in the Imperial Valley. Much pressure was put on the Farm Security Administration agent there by the Japanese-hating farmers. Some of this pressure undoubtedly came through Small. The feeling down there has always been acute. He thinks that the Farm Security Administration agent did not intentionally favor whites as against Japanese, but that he had growers to take a position (involuntarily) similar to that of the white farmer.

Farr says that the Japanese are in for a very bad time down there, for in Imperial County, the attorney plans to claim much violation of the alien lands act. Undoubtedly the courts and every one else is somewhat of a Japanese-hater. He believes that the Japanese will never get back to this valley again.

Farr and Spencer both feel that the evacuation has been unnecessary in the case of Japanese citizens, and that the difficulties developing later will be enormous. Farr says that the legal aspect (Constitutional) of the evacuation of citizens will have to be wrangled over, as will property rights etc. The final disposition of the Japanese is also tough. California Association of Farmers will want to keep them as a form of slave labor. Already Clark (Government of Idaho) telegraphed the Wartime Civilian Control Administration in San Francisco and asked for a trainload of Japanese to do stoop labor under proper military guard. People of Corona, Covina, and Imperial Valley have already indicated that Japanese won't be welcomed. Evacuation, the movement itself, was easy but the legal and sociological problems to be met and the implications of their solutions will undoubtedly be enormous.

Farr criticizes the medical examination of the evacuees. Immediately upon the arrival at Manzanar of one group of evacuees, many were found to have measles. This should have been discovered at the Control Station. He actually saw 400 Japanese take medical examinations in two hours at one Control Station.

May 27

1. Shinno Nursery, Avalon St., Wilmington.

A three-acre nursery with excellent crop of stock, carnations, and other flowers. Mrs. Shinno usually sold 500 or more in carnations alone on Mother's and Memorial day. She had a lease paid up to September 1, on land owned by Watson Realty Co. of Wilmington. She sold out the entire stock and equipment, (equipment not worth much) to a Long Beach nurseryman for \$250, \$150 in cash, and \$100 in monthly installments. Sale made before Mother's Day. Long Beach man is B. M. Garren, 3905 Atlantic Ave.

Evidently the nursery owning Japanese in this area suffered badly, for at least three Japanese nurseries were abandoned. (Information from Al. Drew, of Drew Florist in Wilmington).

2. Menveg again out of town. Deal on Japanese farm where celery (3000 crates lost) is known to a Mr. Mallier of the California *Bank* in San Pedro. Mallier out too.

3. Japanese pipe (water line pipe was bought by the Robert Moore Supply Co., 2662 St. Louis Ave. Los Angeles.)

4. Messts. Laudon, Daniels, and Accenti, Farm Security Administration, 1929 Carson St., Torrance, Calif.

This office has all records from Gardena, Torrance, Lauredale, Wilmington, San Pedro, Long Beach, and Sawtelle.

The only new information that they have other than that on the Control Station record sheets is that in many cases the Japanese in anticipation of evacuation failed to properly take care of crops. Especially is this true in the case of celery, since this requires extensive fertilization at exactly the time that evacuation took place. In many cases, the Japanese claimed that this had been done. Whites paid a fair price and then suffered heavy losses because the celery went to seed. This is also true in the case of strawberries.

Strawberries are poor now as a result. Labor shortage is also greatly hampering strawberry growers.

Loudon says that three or four loans made at the San Pedro office are for an excess of the value of the property. One is at least twice the value. He says this is due to the inexperience of the Farm Security Administration personnel with truck farming.

Only one farm in this area, which is of any size, was abandoned. This was twenty acres of celery and cabbage. The reason was that the Japanese (rich) demanded exorbitant rent. The whole crop was lost.

Total production will be down, because of the failure of Japanese to cultivate up to the last minute. Quality of vegetables is poor too.

New operators are principally whites and Filipinos, and some Mexicans. Peculiarly enough, many negroes have begun to appear as laborers, but are not negro entrepreneurs.

A very interesting case involves this operation of a seventy-five acre farm by three Long Beach High School Teachers, one the football coach. They have the best cared for farm in the district now. The football team is being utilized as labor.

These men invited me to come down and spend the day traveling with them and inspecting the farms. I shall do this next week at the same time I examine their Civilian Control Station Reports.

May 28

1. Haskell Gleichman, 4248 Arch Drive, North Hollywood. Going to work for Eisenhower's organization. Will cooperate with us. F.S.A., Los Angeles

Gleichman believes that the pressure groups had a lot to do with evacuation (see Tolan Report). He believes that the real problem has not yet been touched. This is the problem of relocation, and the ultimate problem of the position of the Japanese in American society. He's not too optimistic, nor are the Japanese with whom he's talked.

The agricultural problem is not as smooth as it looked at first. Several farms have been turned back and several which were taken over by new operators have been neglected. Especially is this true when the Japanese reported that everything had been taken over and that the deal had been closed before registration. In this case the F.S.A. did nothing about it. Today a case came in concerning 7 acres of youngberries, lima beans, and cabbage. This had purportedly been taken over some time ago. The Japanese, however, had not received anything for his crop yet and asked the F.S.A. to look into the case. We went down to the farm and found that the berries were the only crop that could be salvaged. The others had been allowed to rot. The owner had sold the berries to the Frozen Fruit Co. of Los Angeles. The owner had failed to have the Japanese who leased from him reimbursed. He intended to pocket the proceeds. It was too late to do anything about it except appeal for money on the basis of charity. This required contact with the Japanese, not the operator who kicked, in whose name the lease stood. Rather than make this contact, the operator decided to drop the whole thing. The most important thing for us is not that the Japanese lost his crop, but that food was allowed to rot. If this has happened very often, it indicates that the F.S.A. should have gone into every case, whether the Japanese asked it to or not.

2. Fred Farr, District Supervisor, F.S.A., Los Angeles, 894 Union Street, Ordway 0678. There is much more to the transfer of property than meets the eye, especially when Japanese who have very close family and other kinds of ties are concerned. To add to the difficulties faced by the F.S.A., in many cases the Japanese gave away much of their chattels before moving. Misunderstandings have begun to crop up when buyers of Japanese property have found some of the equipment missing. Today we went to a nursery where some trays had been reported as stolen. These trays were sold to the Morningside Nursery in Los Angeles, but the manager of this organization reported that when he went for the trays, they had almost all been taken away. He refused to pay for more than a small portion of the total number which he originally agreed to take from the Japanese. He seemed to be an honest man and was quite incensed to think that he was being accused of stealing the remainder of the trays. The Japanese is now at Manzanar, but it seems that he may have given the trays to someone else. The Mexican next door says that he saw the Morningside truck take the trays one night. This thing is now in such a mess, with all kinds of contradictory stories that it would take more time and money than it is worth to straighten it out. Farr decided to let the thing alone, provided the Morningside paid for the trays that they admit they took. This is just one example of the confusion which is beginning to develop because of misunderstandings between Japanese, new operators, buyers of chattels, and the F.S.A.

3. Gleichman says that many of the Japanese have refused to cooperate in the sense that they put the F.S.A. to work on a deal and then suddenly call the whole thing off offering no explanation for their change of heart. This happened in Palmdale and involved a large ranch. The Japanese were losing 60 acres of alfalfa (they threw this in to the buyer of a tractor). The F.S.A. was all set to go to bat for the Hapanese and collect something for him when the Japanese decided that the deal was all right and asked the F.S.A. to lay off.

This has happened in several cases. A whole day was spent on the small farm of berries and rotten cabbage mentioned above. This sort of thing makes the F.S.A. rather wary of trying to open up old cases or even taking new ones.

May 29

1. Gleichman continued. Evacuee Case 2674. Monterey Park. S. Ebihara.

Gleichman believes that this is a typical case and is representative of the innumerable cases where nobody is to blame.

Ebihara leased a small farm -- 7 acres -- from the city of Monterey Park and an adjacent piece of land of 7 acres from a private party. On the Monterey Park land was a city water reservoir (tank) and a pump. Early in February the citizenry and city fathers got nervous about having a Japanese so near to the water equipment. They therefore canceled the lease and forced Ebihara out March 1. Ebihara had his house on the city-owned land and was forced to move into Boyle Heights in Los Angeles. He was given the right to harvest the crops on these lands -- about 5 acres of berries and broccoli. Soon after moving with his family to Boyle Heights he slipped and broke three ribs and couldn't work.

In the meantime the city of Monterey Park leased their acres to two defense workers who wanted to farm it. The other 7 acres, on which the berries grew, were separated from their land by an irrigation canal, so they didn't realize the berries were Ebihara's. The broccoli had already gone to seed, and the berries were stolen when the two defense workers got there. Ebihara, in bed, couldn't guard his berries or harvest broccoli. Ebihara appealed to F.S.A. He really had no rights at all. His misfortune was due to a combination of forces over which he had no control. The defense workers got nothing out of Ebihara's crops, his house was condemned, Monterey Park wouldn't do anything, and Ebihara's net worth at time of evacuation was \$15 (price of an old truck).

2. The next case is illustrative of the complications due to Japanese solidarity and custom.

The I. W. Hellman estate owned a 325-acre ranch leased to about twenty Japanese. The difficulty of collecting rentals, etc. led them to ask N. Baba,

one of larger lessees, to form a company to pay entire rental, subleasing to Japanese. This was done about two years ago. Association was called "Associated Vegetable and Flower Growers Association." Baba paid \$15 per acre to Hellman and charged Japanese \$20, \$25, and \$30 an acre. All Baba did was keep in good shape. When evacuation ordered, Zeke and Frank Seminario, feed dealers of Montebello, made a deal with Baba to take over all vegetables, but flower growers left out of the negotiations. The Seminarios allowed the Japanese flower merchants to stay on till evacuation to try to harvest their crops. Finally, I. Kariya, one of the larger flower growers blew the lid off and appealed to the F.S.A. He had managed to sell some of his flowers, but very valuable flowers and roots, etc. remained, 9 acres of rare flowers included. The Japanese had sent several new or prospective tenants out to look at his holdings, but Seminario had scared them off. Gleichman finally beat \$350 out of Seminario for the Japanese, but Seminario tried to stop the check. Gleich had cashed it already, though. Undoubtedly Baba had some private deal with Seminario, but he wouldn't admit it. One of the flower growers got \$85 for a \$1,500 crop of flowers. The Japanese who got gypped refused to talk about it and wouldn't tell anything on Baba, although there seemed to be some feeling. The only one they blamed was Seminario. The Japanese will probably deal with Baba in their own way later.

3. Fred Farr, F.S.A.

The Ace Collection Agency is filing a great number of suits against Japanese. This should be investigated and followed up.

The situation in Imperial Valley is one in which there is likely to be some interesting information and considerable scandal. See attached sheet for Farr's report to Fryer. See also the Westmorland Mail for a copy of Order 154. It will be in between February 19 and March 15, 1942.

See also the minutes of the Board of Supervisors meeting for B February 16, 1942, for discussion of no. 154. See the District Attorney of Imperial County for file on Alien Land Act.

C. C. Small of the Farmers and Merchants National Bank was the Federal Reserve man who is undoubtedly at the bottom of some of the trouble. The whole situation in Imperial Valley is bad. Everyone hates Japanese. A Japanese was shot in cold blood by two Filipinos who have not yet been prosecuted. The story about this can be obtained from Ben Yoshioki at Santa Anita. He was a personal friend of the deceased.

A very interesting story of the O. T. Johnson ranch and its relations with the Japanese tenants can be had from Mr. William Denon, 2106 Wilmot Street, Los Angeles. Was a 1,500-acre farm all leased to Japanese.

The Army has had some very interesting problems to face and solved them very well, though the solution seems obvious to the layman. They do use some common sense. In Arizona a Japanese man married a Mexican woman. They had a child, and shortly after the father died. The Mexican woman married a Chinaman. Should the baby, the baby and mother, or the baby, mother, and father (foster) go to camp. The Army, after some deliberation, exempted the baby.

The social service workers don't do much. Another example of their inefficiency is a case in Pasadena. They forced a family to leave on the first day of evacuation instead of allowing them to wait for the second day so that they could attend the funeral of the father.

C O P Y

WARTIME CIVIL CONTROL ADMINISTRATION

707 South Spring Street
Los Angeles, California

May 25th
1 9 4 2

Mr. Leland N. Fryer
Chief Evacuation Unit
30 Van Ness Avenue
San Francisco, California

Dear Mr. Fryer:

At the request of Anthony Tarlock, District Evacuation Officer for Imperial Valley, I reported to El Centro on Tuesday, May 18th, and learned from Tarlock that many evacuees believed to have been farm operators had classified themselves as farm laborers, and consequently had not registered with Farm Security Agents on the regular registration days.

On the day appointed for medical examination, a local Japanese leader pointed out all the operators and brought them to our representative for registration.

The reluctance of the Japanese operators to admit their status can best be understood by reference to a typical case, which for the sake of brevity, will be called the Homano case.

On July 23rd, 1941, one Boxley, landowner, of Holtville, executed a written one year lease to George Hoshizaki of approximately 75 acres of farm land. There is some doubt as to whether George Hoshizaki or his brother Frank Hoshizaki actually signed the name of George Hoshizaki to the lease.

A Japanese alien by the name of Homano actually took possession of, worked, and planted the land approximately as follows:

1. 30 to 35 acres of carrots which were plowed under in December, 1941, and planted to late cantaloupes (not yet harvested).
2. 30 acres of early lettuce (harvested).
3. 5 acres of tomatoes (harvested).
4. 10 acres of late lettuce (harvested).

On December 17th, 1941, Homano gave a crop mortgage to one Honda who is at present in the U. S. Army. The money was to secure the payment of \$2,250 borrowed either from Honda or one Takanaki. Takanaki, an alien Japanese, was given Honda's power of attorney to collect the money. The mortgage was recorded on February 17th, 1942.

WARTIME CIVIL CONTROL ADMINISTRATION
707 South Spring Street
Los Angeles, California

Leland N. Fryer

Page 2.

5/25/42

On February 16th, 1942, the Board of Supervisors of Imperial County enacted County Ordinance no. 154, which I am enclosing for your inspection. The purported purpose of the Ordinance was to "Put Teeth in the Alien Land Law," and safeguard the military and civil property in the County. You will notice that section 14 of this Ordinance prohibits the transportation by enemy aliens of food or farm products or crops upon the public highways of the County. This indicated that the Ordinance was aimed at Japanese farmers.

Subsequent to the passage of the Ordinance, the District Attorney called all Japanese alien farmers into his office and took statements from the Japanese as to the positions they occupied on the farm lands. We are informed that farm operators in many cases signed statements that they were farm laborers. Leases were surrendered by Japanese farmers to the District Attorney. We were informed by one reliable Japanese leader that the District Attorney's office advised a Caucasian farmer that no Japanese alien or citizen could work on a farm.

In the Homano case, both Hoshizakis gave signed statements to the District Attorney that they had no interest in the crops and desired to be released from the lease.

Hoshizaki refused to admit his signature on the lease, perhaps for fear of violation of Alien Land Law, and that there was some talk of prosecuting Frank Hoshizaki for forgery of his brother's name.

Whitelaw, attorney for Boxley, stated that the District Attorney has obtained a signed statement from Homano that he had no interest in the crops and was working for only 40¢ per hour. The District Attorney told me that he had obtained such a statement, but that such was not signed.

The District Attorney then advised Boxley that Homano had no interest in the crop and that he, Boxley, should sell the crop. Homano had a prospective purchaser who tendered the not yet due rent to Boxley, who refused to accept it. The crop was sold by Boxley to one K. K. Sharpe, for \$1,700. Sharpe also purchased the land. Homano, Honda, or Takanaki has received nothing, as yet, from the crop. Sharpe harvested the lettuce, and he will harvest the cantaloups.

We talked to Boxley and learned from him that Homano had worked the land, planted the crops, was an excellent farmer and, without doubt, the tenant in possession.

Sharpe's attorney, Roberts, informed us that Sharpe purchased from Boxley with the understanding that the crops and land were free and clear of all encumbrances, but subsequently learned of the crop mortgage.

June 1

1. Gerald Desmond, attorney, Department of Justice, Los Angeles.

Desmond has been Clark's assistant since he became coordinator. Clark is now out of the evacuation program, and Desmond is trying to finish up all pending business so that he too can get out. Desmond says that Clark is very happy to quit the evacuation job, since for all the work which he did, the Army took all the credit. Casual mention in press releases were not enough for Clark. Further, it is evident that the cooperation between the government agencies directly connected and the Department of Justice was quite poor. Desmond said that no cases were reported for prosecution by the Federal Reserve or the F.S.A., even though the Department of Justice asked them to do so in order that an example be made of at least one offender. Only in the last week has any shady case been brought to the attention of this office, and only then was this done in a casual conversation between Farr and Desmond who are friends. Desmond's attitude is that he will step in if the Federal Reserve or F.S.A. asks him to, but he is not going to take the initiative any more himself.

2. Kenneth Smoyer. Contrary to earlier reports, there will not be any serious labor shortage in the county of Los Angeles in July and perhaps none in August either. The use of high school boys has worked out very well in some parts, notably in San Fernando Valley where the shortage was expected to be the most acute. Farmers there say that the high school boys do more work in an afternoon than ordinary farm labor did in a whole day. If cooperation can be obtained from school authorities, there should be little *difficulty* in the farm labor front. Of course, next year the picture may change considerably since younger men will very likely be taken into the Army and since the number of men in defense industries is bound to increase considerably.

Smoyer believes that under the circumstances, the transfer of Japanese citrus ranches in Redlands to the citrus houses was as good an arrangement as

could be expected. If the power of attorney was not granted to the manager of these organizations but to the directors, then it is a fairly good arrangement. If only a management agreement was made, then it will be even better. Smoyer says that one can expect some dirty work regardless of the exact agreement made since these firms have the ethics of all businesses.

June 2

1. Mr. Millikan, Navy Intelligence, Los Angeles.

Commander ~~W~~ringler has left for parts unknown and will not be able to give us any information on the evacuation of Terminal Island and San Pedro. Millikan will refer me to another officer who can help us when we get the proper credentials.

2. Harry Oakley, F.S.A., Los Angeles.

Oakley is well acquainted with the situation in Imperial Valley and blames the entire thing on the activities of the Associated Farmers and on the racial discrimination which they promote. The situation has become so bad in this area that Negroes and Mexicans, as well as Japanese are put into separate schools. Undoubtedly the situation with regard to the evacuation of Japanese was aggravated by the rather inferior agent of the F.S.A. in this area and to the domination by Small of the Federal Reserve.

One of the big difficulties of new operators has been in obtaining the farm equipment. Japanese sold it off early and now it's dispersed and hard to get.

3. Desmond (continued).

The evacuation of German and Italian aliens will start very soon. All of Zone A will be evacuated. Refugees, persons unable to become citizens because of education, or relatives of fighting men of any of United Nations will be excluded. Dedrick estimates 86,000.

4. Carey McWilliams.

His entire file on the evacuation can be copied by us. This data is invaluable for it contains reports of the Japanese now in the camps concerning the attitude of the Japanese and their organizations and other data on the conduct of the camps.

The greatest hardship has been worked on people only partly Japanese.

N.B. -
We saw
the material
It's worth
very little
indeed -
D&F

There is a family of people in Los Angeles who are all from 1/8 to 1/16 Japanese. These people have always passed for white and are all married to whites; they are all in Pomona now.

The disruption of the produce market is almost as serious as the disruption of agricultural production due to the evacuation. Two weeks ago the produce merchants sent representatives out to the Cochella Valley. These representatives told the new operators that there was a serious shortage of tomatoes in the Los Angeles market. They advised them to pick as much as possible, and as a result the farmers picked green and overripe tomatoes and sent them to town. The wholesale market thus found that they could sell this large quantity at a very low price. They forced the tomatoes on the retailers. The public found that it was buying poor food and the growers found that they were getting a very low price for their crops. The only ones to profit from this were the merchants who handled a large volume of goods when the market would otherwise have been quiet.

McWilliams says that Commander Wringle, Navy Intelligence, always said evacuation unnecessary.

5. Stuart Walsh, Research Administrator of the Kenny Committee, 2408 W. 7th Street, Los Angeles.

Walsh says that in the first place, the Associated Farmers were against the evacuation of Japanese. Over a two-week period they turned to favor it. There doesn't seem to be any explanation for this change. Walsh believes that the evacuation of the Japanese has left a great gap in the labor situation in California. He says that the Mexicans, the Filipinos, and the Negroes are making a determined effort to get out of the agricultural labor group and seem to be having some success at this since they are now being hired by defense plants in the Los Angeles area. The Mexicans are no longer willing to come in from Mexico, since there has been a quickening of industrialization in their own

country. Also the reforms of Cardenas have done a lot for the Mexican farmer, and he is not so willing to leave home as he was.

Walsh doesn't believe that the Japanese will ever be allowed to return to California and live there as they have prior to the war. New operators of Japanese truck gardens in very many cases bought up Japanese for the cash to be derived from the crop involved. They won't continue to farm.

6. McWilliams (continued).

McWilliams has heard unofficially that the Southern Pacific and the Bank of America asked the Tolson Committee not to allow the evacuation of Japanese, holding that it wasn't necessary at all. They refused to make this report to the Committee officially because of the danger of arousing public opinion against themselves. McWilliams favors hearing boards to examine Japanese and guarantee patriotism. Sixty per cent of internees are released after such hearings, but Japanese in centers aren't treated this way.

7. Examination of suits filed in the Municipal Court against the Japanese in the last month by the Ace Credit Exchange and the Affiliated Merchants Corporation, collection agencies.

I examined about 20 of the suits filed by these agencies in the last month against Japanese. They don't show much except that in not one of these suits was the Japanese represented by an attorney. In many of these suits default judgment was taken exactly 10 days after service. This is the minimum time allowed. Evidently the Japanese are ignorant of their rights in the use of the public defender. They probably can't even understand the meaning of a summons and probably often can't read it.

8. Leon Brown, attorney. See previous notes. Case not tried yet. Judge refuses to hear case till he gets Biddle's O.K. It's been two and a half weeks.

> ?
DST

June 3

1. Colonel Taylor, Provost Marshall's office, 931 N. Colorado Avenue, Pasadena.

Taylor suggests that we contact General De Witt and Eisenhower both. He says that if this is presented properly, we will probably be given a blanket permit to enter the centers.

2. Mr. Chas. O. Pierpont, Loan Officer, Bank of America, Whittier, Calif.

Pierpont was manager of the Bank of America at Redondo Beach for 14 years. Contrary to the belief of most bankers, Japanese loans are bad, for only those in distress and working on a shoestring need loans. Redondo branch made many personal and crop loans to Japanese and found that these were too difficult to collect and generally moved too slowly. Result is that Pierpont, like other Bank of America managers, he says, doesn't like to make loans to Japanese. Whittier Bank of America had none.

3. Tom Bewley, Attorney of Whittier. (Referred to by Esther Rhodes.)

Miss Rhodes was incorrect; Bewley did not have anything to do with sales tax claims and heard nothing about it. Evidently J. Marion Wright was correct. Legitimate claims were made by the State Board of Equalization and cleared up long before evacuation and are not in any way connected with the evacuation. Bewley says that many Whittier Japanese moved out early and that those who did lost heavily. Japanese moving under evacuation orders lost but not nearly so badly. Bewley says that many people of Whittier already have their minds made up that Japanese are dangerous, etc. and should never be allowed back. The war (its length, etc.) may intensify this feeling so that an active effort will be made to keep Japanese out forever.

4. A. D. Holloway, Real Estate Agent and formerly Federal Reserve Counselor at Whittier.

Losses were heavy for all evacuees and almost no Japanese property

was stored by the Federal Reserve. They sold almost all their chattels prior to registration. They disposed of cars in any way. Very few were landowners.

Farm labor situation is going to be plenty tough in this area very soon. Attempt is being made to recruit high school boys but not much success yet. Shortage of labor is due not solely to Japanese evacuation (Japanese aren't laborers but entrepreneurs) but also to the migration of workers into defense plants. At one large ranch, the Murphy Ranch, women pickers (orange) are being used. They are brought in every day from Belvedere Gardens by truck.

Federal Reserve counselors had almost nothing to do at Civil Control station. Japanese very seldom asked for any advice and in only one case did the Japanese complain that he had been gypped out of his property. Jewish merchants from Los Angeles were very active in this area before evacuation and undoubtedly bought up much property.

June 4

1. S. C. Mellier, California Bank, San Pedro. In regard Ohashi Farm (Menveg's deal) In Wadena 500 ft. along Pacific Coast Highway (east side) at intersection of Hawthorne Blvd.

Ten acres of celery -- all ready to pick at the time of evacuation. Ohashi asked \$4000. He refused a \$2500 offer and was evacuated at the deadline. Taft farm in charge of Esiul Menveg who had full power of attorney. Menveg was offered \$1750., asked \$2750 and was no deal. On April 28, Menveg asked Mellier for help. Mellier (who had already bought ten acres and had work crew) took it over with no agreement as to distribution of profit. By this time, one-half or five acres had gone to seed. Remainder yielded 5700 crates. Last out on May 20. Net profit after labor, water, crates etc. was \$ 3569.⁵⁹. Since Crown Produce of Los Angeles had offered \$1750. Mellier gave \$1750. to Japanese plus half the difference between \$3569.59 or \$906.24 (\$906.24 - \$121.26, charges against farm before evacuation) Bank gave Menveg even \$2600.00 . Menveg deposited \$100 and sent \$2500.00 to Japanese.

Prior to evacuation, Japanese refused to let Mellier take over on assignment basis. If he had loss, wouldn't have been so heavy (five acres wouldn't have been lost)

Mellier had no labor difficulties. He already had Filipino crew to work own place.

The celery price dropped immediately after evacuation from 90 to \$1.10 to 40 to 50 cents, due to dumping by new operators three weeks later it rose to \$2.60 per crate.

Mellier thinks the Japanese farmed to the last day but losses due to inexperience of new operators. These men won't put in new crops. Truck gardening here will go to pot.

As a whole, the Japanese lost terribly. Further data can be obtained from H. and F. Produce Co. (Mr. Kelly) in Los Angeles.

2. Claude M. Sebring, formerly of Terminal Island Branch of California Bank. Nursery men lost badly too. Keystone Nursery (mortgaged by a bank for \$14000) now is rented for \$50 per month.

Yamaguchi Nursery suffered from looting. Most looting was petty, but here valuable equipment was lost.

A Rio Grande truck driver posed as officer and took refrigerator etc. away from the Japanese.

Terminal Island Japanese lost too, for stores etc. which had value when the Japanese were there now are worth nothing. Navy won't cough up.

3. Robert S. Moore (R. S. Moore Supply Co.), 2662 St. Louis Ave., Long Beach.

Moore is the man referred to by Stewart (Farm Security Administration, San Pedro).

Moore bought up all the Japanese water line pipe he could at an average price of seven cents per foot. In one large purchase, the Japanese agreed to pull the pipe out of the ground and didn't do this. Moore had to. Average price of this pipe (second hand) is nine cents per foot. The pipe used by the Japanese for irrigation will have to be taken apart and re-threaded before it can be used again. Some of it is out of round and therefore is nearly worthless. Moore isn't getting rich off this pipe. None-the-less, his purchase of it at any price is bad because farms are now without irrigation facilities. Japanese can't be blamed for selling, nor Moore for buying, but it's important never-the-less.

4. John L. Rodgers, Torrance, California.

The Japanese have for many years monopolized the produce market. Whites

9. Doyle Y. Landon, Field Agent, Farm Security Administration, Torrance.

Entire character of farms will soon change. Truck farming will turn into alfalfa and other field crops. Many new operators are at best temporary. Farm Security Administration should maintain field offices to give advice and encourage more truck farmers. If this isnt done, much land will go entirely out of production.

Landon has told Oakley about this real necessity but so far nothing doing. New operators will quit and Farm Securiry Administration should be on hand to grant new loans, obtain new operators, etc.

Nearest Farm Security Administration office (permanent) is in South Pasadena, and it's too far away to help Torrance, Gardena, and Lauredale situation.

June 5

1. Wm. Denon, 2106 Wilmet St., Los Angeles.

Denon is a friend of many Japanese and one Mitsui Mitsunaga he practically raised.

Denon met Henry Mitsunaga some twenty years ago, and helped him get started in business as a gardner and nurseryman. After Henry's first wife died, Henry sent their son, Mitsui to Japan to school. Henry then remarried (a picture bride) and had three more children. At the age of twelve, Mitsui was brought back (at Denon's expense) and his education eas continued here. Denon was partner of Henry in a fairly large nursery on O. T. Johnson Estate. Half of Denon's profits he deposited in Mitsui's account, so Mitsui at the age of twelve had \$6000.

When Mitsui was twenty, Henry wanted to go back to Japan and ordered all the property sold without arranging for Denon's half. Henry told Mitsui he would have to go back and join the army, (this would have improved Henry's status in Japan). Mitsui refused (as he had refused to continue his registration to maintain Japanese citizenship since he was born here). Henry threatened to kill him. Mitsui appealed to Denon who told Henry to get out of the country or Denon would tell police of the threat. Henry left. Mitsui married and stayed here and is now in Bakersfield.

mp The clash of Essei and Nesei is very great. From other sources, Denon has found that Essei fight the Americanization and assimilation of Nesei. It is a very tough situation, for the children are brought up to obey their parents implicitly. They are often threatened as was Mitsui. Many Japanese of dual citizenship are really Japanese government employees. Seemingly harmless groups (buyers cooperatives, etc.) are agencies for control of Nesei.

Nesei are really Americans.

Carson Estate now to be subdivided. Farm

No. 612444

Ben Hayfer, D.V.A. doing *business* as Ace Credit Exchange vs. H.C. Ishigawa.
Filed suit February 24, 1942, for \$187.95, balance due on open account to Superior Produce Co., due and unpaid since January 6, 1942.

To Mobile-Motor Service, \$39.52, due January 29, 1940.

Produce market, Rancho Market, attached stands, fruits and vegetables, and cash register.

Paid February 24. Total release of attachment on February 24.

No. 613829

Hayfer vs. Ono.

Owed \$767 balance. Car attached. Japanese had no attorney.

No. 613949

Ace vs. Mizuguchi.

Suit filed March 6, 1942, for \$226.46 goods, wares, and merchandise owed to Market Garage. Attachment on same day *one Mack Truck* ~~signed~~ *signed* March 6.
March 9 - Collection organization releases truck.

The balance of Neff's notes: you may keep. ⁸⁰
RST

June 15: Theodore Lane, State Department of Employment, Indio, California

In the Coachella Valley an acute labor shortage is developing, but is due principally to industrial drain rather than evacuation. Evacuation has had its effects though for evacuation of fifty Japanese families means loss of from two to four hundred laborers. Government projects at Desert Center and Blythe (32 million) are the greatest source of trouble.

Influx of soldiers' wives has greatly increased population of Indio, but hasn't helped the labor situation, though. Reason is that they are office workers, not field hands.

June 15: T. M. Montgomery, Real Estate Broker, Niland (also a farmer).

Japanese evacuation was definitely desirable but will result in a decline in output of Imperial Valley. Much land around Niland formerly operated by the Japanese is now vacant. Immediate crop loss was small, though, for the Japs harvested before evacuation. Next year's crops bound to decrease.

June 15: O. L. Powell, Editor, Westmoreland Daily Mail. See Andy Prevle, El Centro (Supervisor); Baxter Loveland, President of Farm Bureau, El Centro; Maggio Brothers, El Centro (stuck buying Jap properties), State Department of Employment, 540 State Street; Arthur Schenck, 540 State Street, C. C. Small.

Evacuation of Japs had little or no effect on crops produced in El Centro. All crops harvested before evacuation and all lands still under cultivation. Most new operators took a beating, for they bought Japanese properties on basis of profits earned by Japs. Japs profits go mostly to labor, though.

June 15: Judge O. G. Kellingsworth, Police Judge and J.P. of Westmoreland -- also farmer.

The different methods of cultivation of Whites from Japs means that new

white operators won't find labor so short. Japs papered and brushed plants (tomatoes) to get crop to mature early and thus make profit. Whites don't do this and thus don't need so much labor. The same is true of cantaloupes.

Nevertheless a labor shortage will occur this year. Next year, however, things will be well under control -- no labor shortage, for farmers are switching to field crops, especially flax.

New operators are in a bad way because they only took cognizance of Jap profits. Didn't see importance of utilizing family for labor. Neither did FSA; therefore many loans will probably go bad.

June : C. H. Small, Federal Reserve Counselor, El Centro.

Collusion by Schenck and Small is undoubtedly nonsense. It was reported by Civil Control Station, FSA employers and was investigated by FBI and by *Auten* of Federal Reserve. There was complete exoneration by both WCCA (*incl.* General De Witt) and by FBI. Small was a banker here and is now in the insurance business. He is intending to leave the valley permanently next year and has invested money in an Arizona ranch.

Small believes that the evacuation will lead to the growing of much more field crops than previously, principally flax and barley.

The low price of tomatoes has completely ruined new operators, for new operators took over land at price presupposing a fairly good market. Bottom fell out (for *unknown* reasons, possibly *org.*) and new operators are in bad shape. Almost all FSA loans will be uncollectable \$50,000.

Small says he personally prevented prosecution under #154 by telling the D.A. and Sheriff and other officials that Japs had to leave anyway and that they could be prevented from returning. Small argued that all leases be cancelled on July 1 of this year but in most cases Japs agreed to cancellation as of date of evacuation. Reason was that almost all of crops planted had been harvested and they had nothing to lose.

Small believes that return of Japs to valley will be fought by all farmers

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who were outcompeted by Japs. All hatred of Japs/^{is} due to fact that they outproduced Whites and prospered. Also cooperation of Japs was phenomenal (agreed to ploughing under crops) while whites won't get together. (El Centro whites agreed not to pack #16 tomatoes, but Niland whites sold this size at great profit, despite oral admission that they would follow El Centro policies.)

Small, like all Federal Reserve employees, advised all Japs to get rid of everything and store nothing. As a result, all personal property of Japs has been dissipated.

June 16: Arthur Schenck, FSA Agent, El Centro.

Schenck's chief kick is that FSA civil control employees wouldn't cooperate. They actually asked Schenck's assistant, Van Doren, to leave Brawley office. Refused to accept advice from Schenck and openly accused Schenck of collusion. Schenck's conference with Tarlock and Tittlebaum was useless because latter were drunk.

Schenck says that he advised Japs that cooperation was their only salvation and that he fostered the scheme of Kay K. Nashimura to buy Colorado land for a large coop. Schenck has heard reports and seen Japs in the desert between Niland and Blythe (he says). Some ten were picked up by FBI at Twenty-Nine Palms. None of them have, or seem to have any visible means of support and must be Jap agents on Japanese Government pay (seems to be a hallucination of Schenck's).

Schenck is a "Japophobe" and doesn't trust anyone. Nishimura is an L.A. Jap who came down here to get Hottville Japs and El Centro Japs to act as a unit. He succeeded, but with the aid of Japanese Government money. Nishimura is not a farmer or a socially conscious philanthropic individual but one who is moved by desires to maintain the unity of feeling of Japs.

Nishimura admitted that his was not a desire to help farmers, but a desire to help Japanese maintain selves as an independent group. His activities reported to Sherman of FBI by Schenck and Van Doren, but nothing done.

June 16: Minutes of the Board of Supervisors, February 16, 1942 (County Clerk's Office).

Robert Ware, Sheriff; B. A. Harrigan, Agricultural Commissioner; Rudolph Miller, Secretary of the Agricultural Conservation Association; and Frank Blyschley, Imperial County Farm Advisor gave oral, unrecorded testimony in favor of #154.

Said purpose was to protest public health and safety. (Small-- above -- said he heard admissions it was to rid the valley of tough competition). These minutes not startling.

June 16: Rudolph Miller, Secretary of Agricultural Conservation Association.

Miller admits that he hates Japs and said he advised Superivisors to run Japs out. Japs stopped paying outstanding obligations last September. They didn't plant as much as usual and then only quick maturing crops. They didn't fertilize and yeild per acre much below that of previous years. Was subtle sabotage.

Like other Imperial Valley men he expects a change in crops. He says that this will prevent occurrence of serious labor shortage. Switch to flax and barley. Beets, truck, etc. will decline tremendously.

He says the Valley people hate Hindus worse than Japs but 154 was aimed to take advantage of general feeling against Japs; Hindus will be taken care of later.

June 16: B. A. Harrigan (Red), Agricultural Commissioner.'

A typical politician and altogether too willing to show me what happened to Japanese farms. Offers car and guide to take me out to interview certain new operators.

Harrigan is one of "Court House Gang" who is a large landowner in this valley and a farmer. Says he'll fight Japs' return in every way. Japs only tried to beat the market and never contributed an appreciable amount to the "essential" agricultural output of Imperial Valley. New operators will switch to field crops and won't produce truck till prices rise and are stabilized. He told supervisors to

rid county of Japs at any price. Jap labor was successful only in obtaining a crop several weeks in advance of general supply. Whites won't do this (aren't greedy), and therefore, labor situation not bad because of Japanese evacuation. Defense drain is serious, though. Harrigan has 100 Mexicans willing to cross border and go to work, but he can't get Immigration clearance.

June 16: Mr. Van Doren, Assistant to Schenck.

Van Doren is an old timer here and is acquainted with politics here.

At first Schenck failed to get any help from Miller, Harrigan, and Blyschley, but later, through influence of Small, they come around. Evidently Schenck has been somewhat misled by the "Courthouse Gang" and therefore doesn't see all that goes on. Harrigan undoubtedly took up much land (using dummies) and will be a tremendous power henceforth.

Van Doren says that Miller, Harrigan, Ware, and Blyschley work hand in glove, and are really in domination over the agricultural situation here.

He also says that evidence of the work of these men behind new operators is that the latter in many cases are not farmers at all and are not interested in making a go of lands taken over. They are merely window dressing for Japs.

On the other hand the hatred of Whites by Japs is intense. In one case (Uyechi of Niland) 20 acres of crops were sabotaged. It isn't loyalty to Japan, but hatred of Imperial Valley whites.

Murder of Japs by Filipinos took place about December 8 at Brawley. No one ever took the trouble to investigate. Sheriff Ware was contacted but wasn't interested and didn't investigate. Evidently this was used by Whites -- "Courthouse Gang" -- to scare Japs.

Hottville Coop started as a producers coop and was highly successful. However, Van Doren doesn't believe that Nishimura's efforts arose out of economic beliefs. Nishimura is an urban Jap from L.A. -- sent down here not to help Hottville outfit, but to maintain solidarity of all Japs in this county. Evidently he is supported by Lyle Obyashi (director) and by Japanese Government.

Van Doren is on the fence between Schenck and FSA civil control crew.

He says that the civil control crew refused to accept his help on the evacuation and that in many cases reports to them were lies (Uyechi, for example, didn't report that 20 acres of crops were lost) and that as a result, there will be contradictory reports. He believes that Schenck is absolutely honest, but that he fails to look at things in a realistic light. (I agree, for was in Mexicali for six hours tonight with Schenck drinking beer and talking). Schenck, for example, didn't believe that Japs wouldn't lie about farm machinery. However, since evacuation, several (three) tractors have been found abandoned and locked up in garages. These were never reported.

Van Doren says that most of FSA loans were made to dishonest and altogether unreliable parties. Almost entire FSA loan program will go bad. These new operators are undoubtedly acting for Harrigan et al (either because of future monetary gains or because the speed with which Jap farms are taken up "prove" the fact that Japs are not needed and should never be allowed to return).

Today I heard directly that a new operator (FSA mortgagee) was selling off posts and wire upon which FSA had lien and had granted no release.

June 16: Charles Freedman, large Jewish packer and shipper of El Centro. (He would have something to lose from evacuation of Japs -- truck crops)

Even Freedman is in favor of keeping Japs out forever. He says that despite the fact that his business may likely decline due to evacuation and decline of truck crops, he favors evacuation. Says, however, that Jap willingness to organize and cooperate (Hottville) is dangerous. Evidently such a man as this, though not of the "Courthouse Gang" has something to fear from agricultural cooperation. He can't squeeze Japs, but can't squeeze whites. He'll be likely to handle a larger volume of goods with the Japs gone than before even though less truck is grown.

He is now paying \$.85 per hour for shed help. Higher than ever before. He says that this high labor price is not an insurmountable obstacle, so long as enough is grown (evidently so long as crop is so large that price is low and can

be sold). The growers (white) take the beating whereas Japs didn't and curtailed flow of produce through packing sheds.

June 17: Louis Hausmann, Manager, American Fruit Growers Association, Brawley.

Handles only mellons. Evacuation of Japs will have no effect on growers of mellons and no effect on other crops in valley either. Whites can grow anything at less money cost than Japs because they will handle larger amounts of land, and because they only grow the money crop. Don't try to make subsistence, too.

June 17: Louis Russo, Brawley, Large independent vegetable packer
(especially tomatoes)

He directly contradicts Hausmann above and says that Japs are by far the best farmers and can grow anything at less cost than whites. High costs are due to fact that some Japs cultivate intensively for early maturation.

Labor shortage is much more serious than is commonly supposed and evacuation of Japs had much greater effect, too. Evacuation of 1,200 Japs agricultural workers (man, women, and children) wouldn't be so bad except that these 1,200 worked as much as 18 hours per day at peak. A white will never work over 10, and a Mexican even less. Therefore, the equivalent of about 2,000 top hands have been lost.

Mexicans won't be satisfactory at all for even now Russo is forced to take poorer class Mexicans. The more you pay, the less they want to work (backward swinging S curve) and supervisory costs rise perceptibly.

Russo has always bought from Japs because their produce is far the best and is always ready on time. Now Russo forced to take over Jap farms to assure a crop to pack. Did so on commission basis but bought much Japanese equipment.

When agreements were made, he kept Japs on, and Japs never sabotaged anything. Kept up efforts to get early crop. In the purchase of equipment, Russo bought much duplicating machinery and has an oversupply of \$15,000 worth. He can't make money this year but has kept farms intact. I think he wants Japs back, but is only one out of all interviewed.

He is an Italian, and can't be the superpatriot that Heald (D.A.) Harrigan and the other legionnaires can. He has gambled considerable money in hopes that his growers can and will return.

June 17: L. W. Hawk, U.S.D.A. War Board.

Another patriot. Hates Japs, doesn't ever want them back; says that switch to flax will be tremendous next year. Other crops require too much labor; sugar beets can't too much because of lack of extraction plants. Mexicans are no answer to labor situation.

The situation of the white farmers in Imperial Valley is tough, but is due to their own dishonesty. Says Japs cooperated and held acreage down, but whites though they agree to do so, break their agreements.

They are financed often by Chicago merchants who force large crops. Nonsense, Van Doren says.

June 17: Reginald Knox, Jr., Attorney, Rehkoff Building, El Centro.

Homano case stinks. Small incompetent but not dishonest. Schenck too willing a cooperator. Schenck made mistake telling Japs to sell out too soon. Evacuation came long after Schenck started advising sales. Japs liquidating earliest lost large profits on early tomatoes, and white operators gained. Japs who held on till last ditch sold out and white operators who bought lost heavily for the market broke.

D.A. used #154 as a club against ignorant Japs. Japs who hired attorney s were lucky for no attorney in the county recognized 154 as being valid. This ordnance used often to force Japs to submit. Small admitted that it was used in Homano case.

June 18: Ralph M. Gelvin, Assistant Director, Poston.

Potential area is 80,000 acres. Indian Service planned 25-year project. Now will be done in 5 years.

Indian Service has a social conscious attitude which makes them pals of

the Japs. It is wonderful cooperation. Personnel is best available to do the job. Greatest difficulties due to lack of equipment and buildings. All necessary skills available.

Only difficulties fall between age groups. Issei often can't read English. Norris James, manager of publicity in camp, has news briefs and camp news translated. Issei kick about living conditions and are badly worried about Nisei morals. Often in one apartment are men and girls, and permiscuity is common. Dr. John Powell (Ph.D., Michigan, in Philosophy), head of education, favors birth control information to every sexually mature person. Plans to use fear of reproduction to get permission and equipment to do so. Causes can't be removed so only thing is to cushion results.

June 18: Powell, John

Greatest difficulties lie in convincing Japs that this is not a temporary thing. Many yet refuse to unpack suitcases. This prevents successful cooperation in education, agriculture, industry, etc.

June 18: H. A. Mathiesen and Harry Kumagai.

Mathiesen is Economic Director and plans and both the agriculture and industry, and stores of the community. An excellent man for the job. Knows innumerable Japs well and has their confidence. They bring kicks about anything to him.

General plan is to fit the agriculture and the industries to the skills available. All skills represented but unfortunately is an excess of merchants (from L.A.).

Agriculture isn't going to be too difficult to start for climate and soil is much like Imperial Valley, home of a large number. Japs want to raise much g vegetables, for they miss these tremendously. Also will raise alfalfa, but will attempt to stay away from crops which they can use at least at first. Are going eventually to raise fish to eat.

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Factories more difficult for plant (buildings) not available. Also no equipment there. Japs are willing to bring in own (mainly privately stored -- Small almost required this) if costs of shipping and depreciation are paid. So far, WRA hasn't done this.

Stores are all on community basis, and there is a fight to make coops out of them.

Kumagai is an excellent source of information. Will mail us anything we want on this subject.

June 18: Lyle Kurusaki (prominent and wealthy El Centro Jap), head of Hottville Coop and manager of Agriculture (under Mathiesen) at Poston.

Schenck really did help the Japs and forced several deals through in their favor. Small may be honest and sincere, but he has too long been exposed to Imperial Valley and therefore was no help.

Kurusaki lays blame for whole trouble in Imperial Valley on Harrigan, Heald, Blyschley, and Miller. These men were instrumental in getting #154 through and their man Heald used it to bludgeon Japs down. Harrigan admitted this in case below.

Bud Anslyn (Brawley and Santa Maria) dealt with Imagu for a ten-acre tomato farm for \$100 per acre. Lyle asked Bud to go to Harrigan and ask what he (Harrigan) thought of the deal. Bud went, and Harrigan told him not to be foolish, but to wait and they'd drive the prices down to nothing. (Jim Mollica of Levy Zentner can varify this).

Most of Jap difficulties attributable to the rumors prior to evacuation, some undoubtedly fostered by whites, and some by Japs. As example of latter:

K. C. Iwanta, general manager of South Ivy Growers Coop went to L.A. and heard rumor that evacuation starting next week in El Centro. He phoned Nakamoto Seed Store and told Nakamoto to tell all South Ivy growers to quit everything. They did so and several days passed before they returned to work. Registration under 154 came at crucial time for Jap growers and caused tremendous losses.

Robert Shimamoto owned 80 acres in mellons and tomatoes. Ten acres were leased to Kikumoto, an alien. D.A. called Shimamoto and told him 154 was being violated and to cancel the lease. Owner refused, and D.A. did nothing (Owner would have fought.).

Bob Wilson, Farm Produce Co. of Brawley, hired Aizawa as manager of farm. D.A. forced Wilson by threat of 154 to fire Aizawa.

Kay K. Nishimura and Lyle Kurusaki both feel that payment of incentive wages necessary in order for satisfactory work. Issei especially kick at flat rates.

Hottville Coop had too many current liabilities and couldn't sell out. Levy Zentner took over on commission basis.

June 18: Kay K. Nishimura, Block 36, Building 8, Apartment B, Poston.

Kay K. Nishimura has begun to shy away from Colorado Coop because he says it will split up Poston camp and too many of best Imperial farmers would leave. He wants to see Poston prosper through Jap efforts just as Imperial did, he says.

Evidently he has stopped talking about this in camp, for Jim Katayama (one of Mathiesen's chief farmers) said the whole thing was off. This isn't true because I saw a letter just received today from Governor of Colorado that he, the Governor, would do whatever WRA said. He wouldn't oppose Jap purchase.

June 18: All the men below offer to help us in any way possible.

- Dr. John Powell, Director of Recreation
- Mr. H. A. Mathiesen, Director of Agriculture and Industry
- Mr. Norris James, Director of Publicity
- Mr. Lyle Kurusaki (Farms)
- Mr. Harry Kumagai (Industry)
- Mr. Jim Katayama (Farms)

They will get information of all kinds but have much dope on their special fields. It might be interesting to keep contact with Kay Nishimura too. (He's first to sue for divorce at Poston).

June 22: Leon Brown, Attorney -- Presiding.

It has been seven weeks and still Judge Desmond refuses to set the case for trial despite fact that under law this case should take precedence on the Docket.

Judge says he has written several times but has no reply from Biddle yet. Brown is plaintiff, not attorney of record, but Gold is. Brown says they will get a writ of mandate forcing Desmond to set case.

June 22: L. F. Hammel, Union Bank and Trust Co. (Little Tokyo Group).

1. Assessor, Nurin refused to reassess the property but suggests that owners go to Board of Equity.
2. Agree to institutional advertising, assessing owners \$.50 per front foot on East First Street property and \$.25 per front foot for side streets. Only one of the entire group refused to pay up! He owned property just on fringe of Little Tokyo and has already rented it.
3. Hotel rooms are being rented but by the lowest class of people. Some prostitutes. Stores are absolutely vacant still.
4. L. V. Beech rented one piece of property to a negro. Only did it because Jap owner in very straightened circumstances. Whole group reaffirmed position that negroes should be excluded.

June 22: Clyde Shoemaker, Assistant D.A.

Won't divulge information on prosecution under "Their Lands Act" Prosecution will start before July 20, however.

June 22: Dr. C. J. Taft, American Civil Liberties Union, 257 S. Spring Street.

Files consist merely of newspaper clippings and copies of letters sent to Roosevelt. Can all be obtained from Bessig, 216 Pine St., S.F.