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Joseph I. Omachi
Gila

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SOME ASPECTS OF ECONOMIC LOSSES SUFFERED BY JAPANESE EVACUEES

A study of the economic effects of evacuation upon the 110,600 Japanese ousted from the military areas designated by the Western Defense Command is admittedly a task which no person or agency can hope to perform in any detailed or comprehensive manner. So also would be a study of the economic effects of this unprecedented mass transfer upon the evacuated areas and their residents. In this study an approach to the former problem will be attempted, touching particularly upon the economic losses of certain evacuees with whom I have had personal contacts and about whom I have heard from persons having direct knowledge.

The difficulties incident even to such a limited treatment of the subject are numerous. The problem is one which involves losses incurred by hasty sales of property at ridiculous prices or by giving away and abandoning property in order to comply with the order of evacuation. It concerns losses prospective in nature as well as those which were incurred or are now being incurred by reason of the sudden mass evacuation. It involves an analysis of the diminution or virtual elimination of earnings at a time when such earnings are at an unprecedented height and can normally be used to pay off debts and to establish some degree of economic security. It involves estimates and computations of losses incident to a sudden wiping-out of business good-will. It involves detriment suffered by loss of credit standing built up after years of toil. It concerns present and pros-

Joseph I. Omachi
Gila

January 28, 1943

pective losses to fine orchards and farms brought to great productivity by the expert care of Japanese and are now being subjected to mistreatment because of inexperienced hands or lack of workers. It appertains to losses arising out of violations of contract, breaches of trust, disregard of agency responsibilities, dishonor of notes, mishandling of funds, negligence in the care of property, misuse of property, waste, damage, theft and destruction. It must necessarily be a continuing study the results of which cannot be determined at least for the duration of the present war and more probably for some years thereafter.

Rather than to attempt an analysis of this subject as it affects the evacuees as individuals or the evacuees as a composite group, attention will be devoted principally to the effects upon family groups. As the economic structure of most Japanese is basically founded upon the family as a unit, the extent of the losses incident to or arising out of evacuation can be considered more clearly by studying its effect upon such units. I do not anticipate that the total number of dollars in losses can be thus computed, nor is such an end intended. I feel reluctant also in attempting to study the subject in terms of "averages", i.e. the effect upon the average individual or family or the average losses suffered, etc. The problem is one in which each family group is affected in a different manner and the total effect upon all such groups in terms of the dollar value is incalculable.

It is true, however, that there are similarities in the effects of evacuation upon broader divisional groups. The tangible

Joseph I. Omachi
Gila

January 28, 1943

losses suffered for instance by those who did not have property or business establishments are comparatively small or practically negligible. So also with those whose assets consist principally of bank deposits, security investments and other forms of intangible assets. Aside from these groups, however, similarities can be noted among occupational groups and also among the evacuees who have come from the different sections or localities from which they were ousted by military order.

As part of this study, therefore, I shall consider general effects of evacuation upon four large occupational groups, namely, the professional group, the business group, the farming group and the salaried and wage earning group. These groups will be subdivided into the numerous occupational groups for more specific treatment. Where particular phases of the problem have been observed in regard to particular localities, these will also be noted. The part played by the W.C.C.A. and the Federal Reserve Bank officials in attempting to assist the evacuees in making arrangements for the care, storage and disposition of property just prior to evacuation will also be considered, particularly in reference to business and farming groups.

However, rather than to consider present observations of effects upon such groups, I shall try to study the problem as far as possible in chronological order, noting the thoughts, reactions and deeds following the sequence of events from the time that the proclamation of Japanese evacuation was first announced. Most of my observations as to the past are from memory and much of

Joseph I. Omachi
Gila

January 28, 1943

the details which had not seemed particularly significant are lost from recollection and forgotten. However, viewing the past from this distance in time is an advantage in that a more composite picture with some degree of coherence can be observed, instead of one blurred by accounts of the heterogeneous mass of events which occurred during the pre-evacuation and evacuation periods.

GENERAL DE WITT'S PROCLAMATIONS AND EXCLUSION ORDERS.

Reviewing briefly the preliminary considerations and the legal authority under which the compulsory exclusion of all persons of Japanese race from the Pacific seaboard and portions of Arizona was effected Major Lyle E. Cook, a member of the Judge Advocate's section on the staff of Lt. General De Witt, states in part as follows:

(1)
Since March 2, 1942, there have been issued by Lieutenant General John L. DeWitt eleven public proclamations affecting in varying degrees the daily lives of many thousands of persons within the states embraced by the Western Defense Command. The first nine and the eleventh of these proclamations affected directly only alien Germans and Italians and persons of Japanese ancestry, both citizen and alien. The tenth proclamation affects all persons residing within a coastal strip embracing all or parts of eighty-one counties in the States of Washington, Oregon and California.

Government by Proclamation

Government by proclamation is something new to most Americans born since the Civil War. The extent to which this form of governmental expedient has been employed here on the Pacific Coast is the subject of this article.

By War Department Order dated December 11, 1941, the activation of the Western Defense Command was confirmed. General DeWitt was designated as the commander of this territorial organization for the defense of western United States. As such commander he

(1) "A Review of General DeWitt's Proclamations" - pp 239-244. Journal of the State Bar of California. Sept.-Oct. 1942.

Joseph I. Omachi
Gila

January 28, 1943

was charged with the responsibility of taking the measures which the security of the nation required. His job was not alone to repel attempted invasions but to safeguard the defense instrumentalities located within the area of his command against the obvious dangers of sabotage.

An Estimate of the Situation

It thus became the duty of the General to make what is termed in military parlance "estimate of the situation." This estimate disclosed, in part, the following significant facts:

- (a) The Pacific Coast which he was called upon to defend extends for 2730 miles of shoreline.
- (b) The three states, Washington, Oregon and California, with only one-thirteenth of the nation's population, were, according to the July issue of Fortune magazine, building over one-fourth of the nation's war planes and one-third of its ships.
- (c) Situated within this same area are numerous defense installations, including Army camps, posts, forts, arsenals and training centers.
- (d) Within a coastal strip of approximately 100 miles in depth there were residing a total of 112,895 persons of Japanese ancestry, both alien and citizen.

The presence of this large number of Japanese constituted a problem pregnant with danger for the security of the area which they inhabited. By design or by accident, substantial numbers were deployed in several sensitive and vital areas. There Japanese have not been generally assimilated by the remaining population. Their manner of thought and action, their traditional life patterns and their adherence to the customs and traditions of their oriental origins combine to make of them a people apart despite the provisions of the Nationality Code recognizing those born in this country as citizens.

To attempt a program of examination upon which to determine individual loyalties was impossible. No method could be devised by which such loyalty could be dependably ascertained. Any attempt, it was felt, would result in confusion, in individual injustices and widespread uncertainty. To remove all persons of Japanese ancestry from this critical defense area would, on the one hand, assure complete elimination of any who might subsequently prove inimical to this country's war effort and at the same time no individual would suffer the stigma of suspected disloyalty directed at him as a person.

Evacuation Machinery Established

Pursuant to this determination, by a series of public proclamations, the machinery for effecting this mass evacuation of persons of Japanese ancestry was established.

On February 19, 1942, Executive Order No. 9066 was signed by President Roosevelt. By this order the President authorized and directed the Secretary of War, and the military commanders designated by him, "Whenever he or any designated commander deems such action necessary or desirable, to prescribe military areas in such places and of such extent as he or the appropriate military commander may determine,

Joseph I. Omachi
Gila

January 28, 1943

from which any or all persons may be excluded, and with respect to which, the right of any persons to enter, remain in or leave shall be subject to whatever restrictions the Secretary of War or the appropriate military commander may impose in his discretion."

On February 20, 1942, pursuant to the foregoing executive order the Secretary of War, by letter, designated Lieutenant General John L. DeWitt as the military commander to carry out the duties and responsibilities imposed by said executive order within the territory embraced by the Western Defense Command.

On March 2, 1942, General DeWitt issued Public Proclamation No. 1, establishing Military Areas Nos. 1 and 2 and prohibited zones thereof and specifically providing that "such persons or classes of persons as the situation may require will by subsequent proclamation be excluded from all of Military Area No. 1 and also from such of those zones herein described as Zones A-2 to A-99, as are in Military Area No. 2."

By Public Proclamation No. 2, dated March 16, 1942, there were established Military Areas Nos. 3,4,5 and 6 and additional "A" zones thereof for which the same provision was made as for the "A" zones in Military Area No. 2.

By Public Proclamation No. 3, dated March 24, 1942, there were promulgated regulations concerning the hours of curfew to be observed by all alien Japanese, all alien Germans, all alien Italians and all persons of Japanese ancestry within Military Area No. 1. This proclamation also listed certain items of contraband denied to persons of Japanese ancestry.

Public Proclamation No. 4, dated March 27, 1942, prohibited voluntary migration of persons of Japanese ancestry from Military Area No. 1 and provided for regulation of such migration.

Exclusion Orders

By a series of exclusion orders issuing from Headquarter, Western Defense Command and Fourth Army, all persons of Japanese ancestry were ordered to leave certain designated regions within military areas and to take up abode at camp sites designed for their temporary occupancy.

Public Proclamation No. 5, dated March 30, 1942, provided exemptions from exclusion and evacuation of certain classes of persons otherwise subject thereto by the preceding proclamations.

Public Proclamation No. 6, dated June 2, 1942, prohibited voluntary migration of persons of Japanese ancestry from the remaining portion of California not covered by Public Proclamation No. 4, and provided for regulation of subsequent migration or evacuation by military order.

This proclamation further prohibited persons of Japanese ancestry outside of Military Area No. 1 or outside of the California portion of Military Area No. 2 from entering either such area unless expressly authorized to do so. It also extended the curfew regulations to persons of Japanese ancestry within the California portion of Military Area No. 2.

Public Proclamation No. 7, dated June 8, 1942, ratified and confirmed Civilian Exclusion Orders Nos. 1 to 99, inclusive, which had

Joseph I. Omachi
Gila

January 28, 1943

been issued pursuant to policy announced in Public Proclamation No. 4. This proclamation also announced that all persons of Japanese ancestry who remained in Military Area No. 1 in violation of any of the ninety-nine exclusion orders should report within eight hours from 12 o'clock noon, P.W.T., June 8, 1942, to the nearest Wartime Civil Control Administration Assembly Center.

Public Proclamation No. 8, dated June 27, 1942, formally established War Relocation Project Areas for the relocation, maintenance and supervision of persons of Japanese ancestry evacuated from Military Areas Nos. 1 and 2. It further provided that all such persons then or thereafter residing within such War Relocation Project Areas pursuant to exclusion orders and instructions were required to remain therein until authorized to leave.

Public Proclamation No. 9, dated June 27, 1942, rescinded paragraph 6 of Proclamation No. 1 by which there had been adopted and continued the prohibited and restricted areas designated by the Attorney General of the United States under the Presidential Proclamations of December 7 and 8, 1941, relating to enemy aliens. These prohibited and restricted areas were eliminated as such and declared by Public Proclamation No. 9 to be in the same status as the respective portions of the Western Defense Command within which they lie.

Dimout Proclamation

Public Proclamation No. 10, dated August 5, 1942, is applicable to all persons within a Zone of Restricted Lighting established along the entire Pacific Coast and including portions of Military Areas Nos. 1 and 2. All illumination is subject to extinguishment and control from sunset to sunrise. All illuminated signs, commercial floodlighting, theatre marquee signs and other forms of exterior display lighting must be extinguished on and after August 20, 1942... Public proclamation No. 11, dated August 18, 1942, was designed to perform the same functions with reference to Civilian Exclusion Orders No. 100 to 108, inclusive, issued pursuant to policy announced in Public Proclamation No. 6, as did Public Proclamation No. 7 with reference to the first ninety-nine of such orders.

Enforcement of these proclamations and exclusion orders was vested in the Federal Courts and any violations thereof were made punishable as misdemeanors by Public Law 503 of the 77th Congress, approved March 21, 1942, which provides as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That whoever shall enter, remain in, leave, or commit any act in any military area or military zone prescribed, under the authority of an Executive order of the President, by the Secretary of War, or by any military commander designated by the Secretary of War, contrary to the restrictions applicable to any such area or zone or contrary to the order

Joseph I. Omachi
Gila

January 28, 1943

of the Secretary of War or any such military commander, shall if it appears that he knew or should have known of the existence and extent of the restrictions or order and that his act was in violation thereof, be guilty of a misdemeanor and upon conviction shall be liable to a fine of not to exceed \$5,000 or to imprisonment for not more than one year, or both, for each offense."

SOME PRE-EVACUATION FACTORS

There were a number of factors prior to the actual commencement of compulsory mass exclusion of Japanese which tended to indicate that such a movement would not take place at all, or that if it did there would be some lapse of time. The first official announcement that Japanese might be evacuated came on March 2, 1942, in the form of DeWitt's "Public Proclamation No. 1". This proclamation, however, did not specify Japanese but only that "such persons or classes of persons as the situation may require will by subsequent proclamation be excluded". Regardless of the purported motive to expel Japanese indicated by this innuendo, it was not generally anticipated that they would be subjected to mass transfers.

Within several days after this proclamation "enemy alien" residents of Terminal Island were promptly excluded by military order. In rapid succession other "strategic areas" surrounding military and naval installations, airports, harbors and power projects were denuded of such aliens.

In some of these areas citizens of Japanese ancestry were permitted to remain. Thus at Stockton in an area in the western outskirts of the city, near the Army Motor Depot, there were several Japanese families in which the non-citizen members had to move out of the area leaving their citizen children to live without their

Joseph I. Omachi
Gila

January 28, 1943

parents for many weeks until they were able to sell, rent and otherwise dispose of their property and effects and thereafter become reunited.

Compulsory evacuation during March and early April had thus only affected specific localities and portions of localities from which the Western Defense Command had determined that "enemy aliens" must be removed by reason of military necessity. These measures were generally understood and rationalized as having some reasonable basis and the action that was taken by the army could be appreciated as being justifiable precautionary measures for the prosecution of the war. In fact there were many Japanese who wondered why such steps had not been taken immediately after the outbreak of war. The fact that these measures had affected Germans and Italians as well as Japanese was probably the principal reason for their general acceptance and sanction.

During this period cases of great hardship and suffering among the peoples affected were prevalent. The Terminal Island Japanese, in particular, suffered virtual financial collapse as well as great emotional agony. However, they were only required at that time to move out of the immediate coastal vicinity and most of them went on to the Los Angeles area. Italian aliens in the North Beach section of San Francisco were also greatly affected by these orders and many specific cases were quite vividly described in the principal newspapers in a manner inviting sympathy such as was never attempted for the Japanese.

The agents of the U. S. Federal Bureau of Investigation seemed particularly active during this period in rounding up thousands of

Joseph I. Omachi
Gila

January 28, 1943

suspected aliens along the Pacific coast. Mass evacuation of Japanese was far from being anticipated, let alone preparations for disposition of business and property. They were concerned more with burning up and destroying practically everything written in or considered as things Japanese, however innocent they might be, for fear of an F.B.I. raid on their premises. It is impossible to estimate how many thousands of dollars worth of valuable literature, paintings, costumes, art goods and other effects were destroyed. Included in these things, of course, were countless possessions which were priceless in nature and which no amount of money could forever replace. Remarks have often been made by residents of this center as to how sorry they were that they had been imposed upon by fearful family members who could not be reconciled to keeping around the house anything that tinged of Japan.

An acquaintance stated to me that he had a collection of more than 50 historical books containing some rare narratives of old Japan with many fine pictures which he thought could not be acquired even in Japan. During the period of these raids his wife had become worried that he might become involved because of these books. Day after day she kept insisting that they be destroyed and whenever a car had stopped in front of their house she was sure that their house would be raided. Torn between love for his books and the pleadings of his wife, he first went through the pages of each book from cover to cover and tore out all pictures and references to any Japanese emperors and military or naval officers. This act brought peace only for a few days. His wife began to hear rumors that anything that is written in Japanese should not be kept in the house. It was not long before the fireplace was burning night and day consuming and

Joseph I. Omachi
Gila

January 28, 1943

destroying all of these books as well as all Japanese newspapers, magazines, pamphlets and letters.

Complaints were made by some that officers and deputies from the city police offices and county sheriff's offices were more inclined to over-use their authority during these raids than were the agents of the F.B.I. The fact that few, if any, of these officers were able to read Japanese and determine what is incriminating or not would tend to a resort to such practices whether wilfully or unwilfully. However, the net results were most unfortunate and the entire matter appears to be a blot upon the pages of cultural advancement.

There was considerable reason to believe that these investigations and raids were meant to be a thorough weeding-out process by means of which a form of selective internment of all dangerous and suspected "enemy aliens" would be effected. There was no general expectation that the vast population of German, Italian and Japanese aliens residing within the specified military areas would be interned during the war. Such a measure would certainly entail insurmountable difficulties as to physical conditions from a practical standpoint, without considering possible moral, political and legal repercussions. Public respect for and the generally accepted sanctity of citizenship was also thought to be of sufficient fundamental importance that there was no general anticipation that citizens would be subjected to the ignomy of internment, even though such citizens might be of "enemy alien" descent.

It was during this period prior to early April also that

Joseph I. Omachi
Gila

January 28, 1943

frozen assets were being gradually liquidated upon compliance with regulations and orders of the U. S. Department of Treasury and property reporting requirements were being fulfilled amid uncertainties and fear as to what all these things really meant.

Joseph I. Omachi
Gila

February 23, 1943

At the time of the declaration of war against Japan on December 8, 1941, all credits and assets of the government of Japan, or any political subdivision, agent or national thereof, were frozen pursuant to regulations issued under Executive Order No. 8389. This freezing order also affected credits and assets of American citizens of Japanese ancestry. Under the provisions of General License No. 28 of the Treasury Department United States citizens of Japanese ancestry were released from the order upon furnishing satisfactory proof of citizenship. In practical effect all Nisei who had bank accounts were required to present their birth certificates to their bank in order to have their accounts released. There was an immediate rush to obtain certified copies of birth certificates from the State Department of Vital Statistics, the county recorder's offices and city health department offices.

As to the Issei group, who^{were} considered nationals of Japan, the Trading with the Enemy Act of 1917 was invoked in addition to the freezing order. Due to the lack of immediate official clarification as to what extent such Issei were affected, many business firms and customers refused to transact any business with Japanese, rather than to take any chances of possible violations of the act. These factors, together with the general public prejudice and suspicion against all Japanese arising out of the war hysteria resulted in a virtual boycott of business relationships with Japanese nationals during the period immediately following the outbreak of war.

About two weeks thereafter General License 68A was announced. This permitted the release of funds for ordinary expenses and business

Omachi
Gila

February 23, 1943

transactions on the part of Japanese nationals who have been continuously residing within the United States at all times on and since June 17, 1940, and who have not since June 14, 1941, acted as agents or for the benefit of Japan or any person outside of the United States and were otherwise qualified under its provisions. Among the conditions and restrictions imposed by the Treasury Department under this license, there were two requirements which were of particular significance. One was that withdrawals in excess of \$1,000 per month were required to be reported to the Federal Reserve Bank by the bank making such payments. The other requirement was that a report of all assets and liabilities and other matters must be made in compliance with regulations.

Many local banks having accounts with Japanese nationals were not familiar with the general licensing provisions/had failed to advise them properly about such matters. Many of these depositors who had their funds released under the general license had transferred their accounts to their citizen sons and daughters for fear of having their funds frozen again. Where such transfers involved amounts in excess of \$1,000 in any one month period, reports of such withdrawals were sent to the Federal Reserve Bank. Soon thereafter these local banks were notified that such transfers must be presumed to be unusual in nature and were not for ordinary transactions, and therefore, the accounts into which such funds were transferred must be frozen. This resulted in panic among families thus affected. Subsequent withdrawals from funds thus frozen could only be made by making application to the Federal Reserve Bank specifying the amount and purpose for which funds were needed and by obtaining a special license for the transaction upon approval of such application. Considerable grief and hardship resulted

Omachi
Gila

by reason of the lack of proper advice and information in these matters.

As to the reporting requirements of General License 68A the United States Treasury Department on January 16, 1942, issued Public Circular No. 4 A instructing all Japanese nationals within the United States who were entitled to the benefits of General License 68A and who had property exceeding \$1000 in total value either on June 1, 1940, or on January 1, 1942, that they were required to file their reports to the Federal Reserve Bank on Form TFR-300 Series J. These reports were quite detailed in nature. Values of various specific types of assets and liabilities were required to be listed and additional information as to previous address, date of latest entry into the United States, alien registration number, safety deposit box, previous employment, etc. were required. The reports had to be sworn to, executed and filed in quadruplicate before a certain date. Lack of sufficient forms necessitated several extensions as to time of filing and the last date set was about April 8, 1942.

In stating the valuation of various types of property the tendency of many Issei during February and March was to minimize the values in fear of possible tax assessments since they were unable to comprehend the real purpose of the federal government in requiring these reports. However, many others who made their reports in the latter part of March and in April were more inclined to state truer values, or even excessive values, upon the basis of rumors that in event of compulsory evacuation these reports will be used by the government in computing and compensating for losses that would be incurred. Advice and information to the effect that the reports are merely to comply with the regulations of the Treasury Department in order to secure the benefits of the general

Omach
Gila

license were generally viewed with suspicion and distrust. Conflicting rumors and misinformation regarding the matter have without question adversely affected the setting forth of true valuations in these reports. However, the Treasury Department has obtained a wealth of information regarding the property and assets of Japanese aliens prior to evacuation, which might be of considerable value in estimating losses suffered as a result of the mass exclusion order.

Although most Japanese qualified under the general licenses and were able to obtain release of their bank accounts and other deposit accounts from the freezing order, there was and still is a substantial number who were unable to obtain such release. Several groups are included in this class. First, there are those who had gone to Japan for a visit and had returned to this country after June 17, 1940, and thereby became disqualified from the benefits of General License 68A. The second group includes those who were apprehended by the F. B. I. upon suspicion of possible subversive activities, such as espionage, possession of contraband and sedition, and after a hearing before the Alien Enemy Hearing Board they were interned for the duration. This group was denied the benefits of the general license by reason of the presumption that they were acting as agents or in behalf of or for the benefit of Japan. The third group included Japanese-American citizens who were born in the United States but who were unable to prove their citizenship because no certificates of birth were filed. This group, however, was comparatively small in number and in proper cases other evidence of citizenship was acceptable. In order to prevent undue hardship on the part of each of these groups, General License 11A provided for release of necessary personal expenses up to \$100.00 per month upon the basis of

Omachi
Gila

of proper affidavits stating their actual need for the fund.

Needless to say, these Treasury regulations and requirements had caused untold grief among the Japanese. Because of the fact that this was the first time in their life that they were all affected by such regulations, considerable fear, misapprehension and worry was rampant. To add to their grief and misery wholesalers and finance companies refused to extend further credit to the Japanese and began to press them for immediate payment of their debts and obligations. Many of the store owners were faced with the dilemma of being unable to collect from their credit customers but were faced with the necessity of paying off their wholesale accounts in order to avoid foreclosure or attachments. Purchasers of automobiles, farm equipment, furniture and other property, who were making payments in periodic installments under contracts of conditional sale, were notified that they must immediately pay up the balance due on their contracts or they would lose their property by foreclosure.

One Japanese store in Stockton, which was engaged in an extensive retail credit business selling groceries principally to Filipino labor camps, was sued and attached by creditors in January, 1942. Outstanding accounts unpaid by the Filipino debtors amounted to more than \$25,000. This was uncollectible. The proprietor was forced to close up. He lost the store and practically all of his investments. Assets and property accumulated after many years of business were completely wiped out. The loss involved in this case was due to the intense anti-Japanese sentiment among Filipinos which had come to a culmination when Japan had invaded the Philippine Islands. The proprietor's family, consisting of a wife and several children, had been

Omachi
Gila

accustomed to living in style and comparative luxuries but was reduced to poverty because of the unfortunate event.

In fact the situation with respect to anti-Japanese feeling on the part of certain Filipino groups became so acute with danger that the Stockton Police Department had insisted that all persons of the Japanese race remain indoors and refrain from walking on the streets at night. From the latter part of December to about March practically all of the Japanese stores were closed at night. In addition to several cases of assaults and knifings, at least two Japanese in Stockton were brutally murdered in cold blood.

The first murder occurred at about 2:00 A. M. on Christmas night. Mr. Kiino, a night clerk for the State Garage located on the corner of El Dorado and Lafayette Streets, was sitting in the small office of the garage with another Japanese when he saw a man approaching the office from a car which had stopped nearby. As he got up to wait on the supposed customer, this man pulled out a pistol and shot Kiino in the forehead at a range of about four feet causing immediate death. The assailant ran back to the car and sped away with another accomplice who was driving. The witness who was with Kiino identified the murderer as a Filipino but could not give enough clues to ^{assist} ~~enable~~ the officers in finding the offender. Kiino was an Issei single man of about 50 and had been a quiet, unassuming man who had never been involved in any activity whatever which might be considered a motive as to why the Filipinos had murdered him.

In discussing this case with a Filipino Christian minister, he told me that there is a certain savage tribe of Filipinos in that part of the Philippine Islands that was then being invaded by Japan. This

Omach
Gila

tribe followed a tribal cult or practice of revenge and whenever a member of their tribal kin is killed by some other race or tribe, the remaining next of kin were honor bound to kill any member of the enemy race or tribe in retaliation. Statements were released to the local press by a committee from the Stockton Ministerial Association and by the Committee on Fair Play pleading for sanity and fairness on the part of such Filipino groups. The Chief of Police, the County Sheriff and the District Attorney were approached for assistance in quelling any further attacks of this type. The ban against Japanese remaining in the streets at night was then advocated and followed as a precautionary measure.

With the exception of a few alleged assaults based on rumors, the situation was thought to be fairly under control for some time thereafter. However, early in March another Issei named Yoshioka, a proprietor of the Sun Rise Hotel on Washington Street was found shot to death. In this case the assailant had gone to ^{the} hotel about two o'clock in the morning when no one was around and rang the night bell. When Yoshioka heard the bell he woke up and came out into the hallway. As he did so the assailant shot him dead and fled. Apparently there was no person who saw the murderer. However, the similarity in methods followed and the equally similar lack of motives for the killing, as compared to the Kiino case, indicated the strong probability that a Filipino was the murderer. Neither one of these murder cases has yet been solved. In fact it appears that no really serious or intensive effort was made by the officials to seek out clues, question suspects, make investigations or do those things which are ordinarily done towards solving a murder case. Yoshioka died leaving a wife and three young children.

Aside from the more sensational and emotional aspects of this tide of Filipino gangsterism that had swept through many Japanese communities in California prior to evacuation, the feeling of antagonism and suspicion between the two racial groups had resulted in considerable business losses on the part of many Japanese stores, restaurants, shops, garages, hotels and other business establishments. In Stockton this was more significant than most other communities because it was the largest Filipino community in the United States. In proportion to the Stockton Filipino population of from 5,000 to 10,000 depending upon the season of the year, there were comparatively few Filipino business establishments. The Filipinos were mostly of the transient farm laborer class composed of single men and very few of them had the initiative or ability to start business enterprises. Consequently, many Japanese businesses depended to a very great extent upon Filipino trade. This was especially so with a number of Japanese hotels where Filipino farm laborers lived during week-ends, holidays and certain seasons when they were not working.

With the spread of anti-Japanese sentiment after the outbreak of war there was a concerted boycott of all Japanese business establishments. Some of the hotels and cleaning establishments had virtually no business at all and a few of them were compelled to sell out at substantial losses. Others continued their business in spite of losses and held on until the evacuation order forced them to sell their business or make other arrangements for the disposition of their property. It is estimated that from one-third to one-half of the Japanese business establishments in Stockton were thus adversely affected by the Filipino boycott. This situation also prevailed in several other

Omachi
Gila

Japanese communities where Filipinos were living in large numbers, notably in Salinas.

It appears that the boycott was instigated and enforced by certain elements of the Filipino people who had for some years past been openly agitating against the Japanese over differences in methods of securing wage increases from celery and asparagus growers in that vicinity. There were many Filipinos, though in the minority, who were friendly to the Japanese and who continued to do business with them. However, by resorting to the use of pickets, threats and violence against such Filipinos the dominant Filipino groups were quite successful in keeping away Filipino customers. After the initial intensity of the anti-Japanese sentiment had gradually cooled off, the friendly Filipinos began to resume business relationships again until the time of evacuation.

Although I had but few Filipino clients I was called on from time to time by different Japanese and Filipino groups to assist in making adjustments, and compromises, in contacting various officials and committees previously mentioned, and in performing a number of other similar acts and services towards bringing about some degree of mutual understanding and harmony between the two groups. Although there are some fine leaders among the Filipinos, my observations have been that a majority of them are uneducated and uncivilized and are guided more by instinct, emotion and passion than by reason. As some of their leaders have stated to me, the general run of the Filipinos in this country are just out of the savage state and the thoughts and reactions of many of them are still those of the jungle tribes.

Although the various factors heretofore mentioned were of signifi-

Omachi
Gila

cance in affecting the economic life of many Japanese families in the pre-evacuation period, there were thousands of families which suffered financial adversities, as well as emotional distress, by reason of the apprehension and internment of husbands and fathers suspected of subversive activities or were otherwise considered dangerous to the peace and welfare of the United States. Every Japanese community was more or less affected. Southern California and the coastal areas were affected considerably more than the more interior regions, although almost all of the family heads in the Reedley section were said to have been arrested and interned. A great majority of the Issei men, as well as many women, who were residing in San Diego, San Pedro, Santa Barbara, Guadalupe and Santa Maria were assertedly taken in by the F.B.I. In Los Angeles as well as in San Francisco practically all of the Issei men connected with Japanese steamship companies, banks, and financial institutions, importing and exporting firms, Japanese Association, Heimusha-Kai, language schools, kendo clubs, hotels which had catered to Japan-bound customers, Buddhist churches, photo studios, etc. were included in those arrested. In the other Japanese communities Issei men who were considered leaders of such organizations and institutions were similarly incarcerated. The economic losses incident to these wholesale arrests at the instance of the United States Department of Justice, on the part of the Japanese families and institutions involved, will undoubtedly be considerable and far-reaching in effect.

Immediately after the Pearl Harbor attack the doors of the Yokohama Specie Bank and Sumitomo Bank were closed and padlocked. Branches affected included those in San Francisco, Los Angeles, Sacramento, Portland and Seattle. Although these banks were principally engaged in

Omachi
Gila

foreign exchange transactions, there were thousands of Japanese depositors who had various yen and dollar deposit accounts. There were also a considerable number of Japanese who had borrowed money from these banks by putting up various certificates of yen deposits or savings investments. Proceedings for liquidation at the instance of the California Superintendent of Banks were immediately instituted. Notices were mailed out to all depositors who had dollar accounts to submit their claims and turn in their deposit books. All debtors were notified that they must repay their loans inasmuch as the yen securities put up as collateral are considered worthless. Among these debtors there were many who had put up yen securities which were worth several times the amount of their loans at the time such loans were obtained.

Although the process of liquidation of these banks are still under way, it will probably be difficult, if not impossible to collect from the debtors, since many of them have no assets other than their yen securities. However, the financial condition of both banks are reputed to be quite sound and assurances have been given to the dollar depositors that there are sufficient funds on hand to eventually pay them all almost, if not entirely, in full. Whether this will be actually done remains to be seen. Those who have had any substantial portion of their funds in these banks have undoubtedly suffered business losses by reason of their inability to use such funds in the usual course of their transactions. Others will not suffer losses if their claims should be paid in full.

Considering some of the more directly connected economic aspects of the F.B.I. seizures, ^{there were many families} there were many families in which the apprehended members ^{apprehended by the FBI} were in sole charge of business enterprises and the re-

Omachi
Gila

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maining members had no knowledge of the business whatever. As a result of this situation, considerable losses were suffered in the course of transactions for the disposition of property entered into by wives and other relatives just prior to evacuation. An instance of this nature has come to my attention where a merchant who had been engaged in a retail general merchandise business in Santa Maria had been arrested in February, 1943, and was sent to the internment camp at Bismarck, North Dakota for a hearing before the Enemy Alien Hearing Board. More than six months passed by before his case was heard and at the hearing he was released and sent back to rejoin his family which had previously been evacuated to the Santa Anita Assembly Center. During his absence the damage had already been done. His wife had no knowledge whatever as to his business and had become panicky after he was taken. About a month after his departure she was prevailed upon by unscrupulous scare-mongers and profit seekers to sell the entire inventory of merchandise on hand, valued at about \$20,000 at wholesale cost prices, for the meager sum of approximately \$2,000. A loss of about \$18,000 was thus incurred by reason of the husband's incarceration on purported suspicion of an offense for which there was no evidence of guilt or sufficient cause to intern him for the duration.

"note"

It is interesting to note that in the case just mentioned, the wife had been imposed upon to sell only the stock-in-trade and not the trade fixtures, store equipment and furnishings. Under California ^{laws} property of the latter type can be sold only after complying with certain legal requirements as to filing and publishing a notice of intended sale and the wife as vendor must be legally authorized by a power of attorney or otherwise to transfer clear title. The purchasers had thus

Omach
Gila

been interested only in buying out the merchandise on hand for their own gain and profit. The fixtures and equipment had to be stored in a warehouse to deteriorate in value so that they would eventually not be worth much. That intangible but definitely recognized value of any such business, which is attributed to keeping the merchandise and fixtures inseparable and selling the store as a going concern at the same location, had been lost altogether and such loss must necessarily be added to the tangible losses suffered in this case.

Another case reported to me in which considerable losses have been incurred involves a San Francisco hotel and restaurant operator who was seized by the F.B.I. the day after war was declared. His share interest in the hotel business was reasonably worth about \$25,000 and in addition he had a \$10,000 investment in a restaurant of which he was sole proprietor. Both establishments were locked up by the Treasury officials who posted notices on the premises that the property was under the care and custody of the Treasury Department. The subject's wife, three minor children and parents were only permitted to take out their personal belongings from the hotel and they moved out to live with relatives in the country where they stayed until evacuated. The hotel was subsequently disposed of at considerable loss and the proceeds therefrom could only be deposited in the subject's blocked account. The restaurant remained locked up for more than seven months, after which word was indirectly received by the wife that the movable furnishings have been put in storage.

In this case the subject had been catering to travelers of the wealthier class who were en route to Japan or who had just returned from that country. His constant relationship with various officials of the Japanese government or of Japanese firms and corporations, in the

Omach
Gila

usual course of his business, had probably been the reason for his arrest, as well as for his internment by the hearing board, regardless of the fact that he had not, according to his wife, been in any way engaged in subversive or anti-American activities. The entire family is now anticipating repatriation to Japan on the next exchange vessel, if there is any. In such event each person would be allowed to take along only \$300 in cash, plus about 30 cubic feet of personal effects. All of the other assets and property may be impounded by the Alien Property Custodian and whether or not the family would receive any part of it after the end of the war is questionable. It appears that the principal reason why the application for repatriation to Japan had been made was in order that the interned husband might become reunited again with his family. Questions as to probable financial losses, or as to a true desire to go to Japan, appear to be of secondary significance to the parties involved. If they do go to Japan they would have to start at the bottom again in order to build up resources towards their family security and welfare.

On October 12, 1942, the F.B.I. issued a news release through¹ the International News Service stating in part as follows:

"Washington, October 12 (INS)

G-men operating throughout the United States have searched the homes of 20,000 suspected enemy aliens in the 10 months of war, seizing 3857 persons and hundreds of thousands of dollars worth of contraband equipment, it was learned today.

Of the 3857 held for hearings before alien enemy hearing boards, 759 were Germans, 416 Italians and 2682 Japanese."

Upon the basis of these figures it is apparent that the number of Japanese aliens seized was more than 3½ times the number of Germans

1. Stockton Record, 10/12/42, p.3.

Omachi
Gila

and more than 6 times the number of Italians who were held for hearings. This proportion would be greatly in excess of these figures if adjustments based upon the populations of the respective nationals in this country are taken into consideration. Approximately one-half or more of the Japanese aliens were said to have been released or paroled after their hearings. Whether or not there was some definite evidence for the internment of the others has not been clarified. Whether this disproportionate and wholesale seizure of Japanese aliens was based upon reasonable suspicion or whether it was more ⁱⁿ⁻arbitrary and discriminate in nature as compared to the arrests of Germans and Italians is a matter which is known by the Justice Department. However, the fact seems apparent that public attitude towards the Japanese people in this country was thereby prejudiced. There appears, the probability also that the army might have been influenced by the action taken by the Justice Department, in arriving at the determination that compulsory exclusion of all Japanese from the specified military areas was a military necessity.

Public feeling and resentment against the Japanese in America which had smouldered for more than 30 years past, prodded and fed by Jap-hating elements, had become inflamed by the F.B.I. arrests to the point where every person who was seized was looked upon as a dangerous spy or saboteur. The fact that many of the victims had previously been considered to be of the best reputation and of long-standing loyalty to the United States in spite of their Japanese citizenship was at first an alleviating factor. However, with the great increase in the number of arrests made, the reaction of the public and even of many

Americans who had known and trusted the Japanese people for years had turned to skepticism and disfavour.

The point has often been raised by many Caucasians as to why the loyal persons among those of Japanese descent had not reported persons who were potentially dangerous to the United States in order to assist the F.B.I. in apprehending all enemies. This point is one which is often raised to discredit all persons of the Japanese race. The assumption is obviously made by the question itself that there were a substantial number of potentially dangerous Japanese among those who were evacuated and that such individuals were or should have been known to the others. This assumption appears to be far-fetched and quite untrue. Among the various Japanese communities of the pre-evacuation period along the Pacific coast it is very doubtful and unlikely that there were any number of individuals who might have been intent upon such activities as espionage and sabotage. The occasional newspaper reports which appeared during that time playing up the asserted fact that caches of arsenal, maps, short-wave transmitters, etc. have been found were undoubtedly exaggerated for their sensational news value. I have heard instances where peculiar makes of radios with nothing more harmful than the capacity to receive police calls with earphone attachments have been heralded in the newspapers as a transmitting set in the hands of a dangerous spy. Similarly, a old rusty double-barreled shot-gun found in the room of a Nisei, who thought that there was no governmental regulation against citizens keeping such guns, was said to have been headlined as a discovery of a veritable arsenal of destruction.

It appears only reasonable also that those individuals who did have definite motives to sabotage or otherwise hinder the war effort

Omach1
Gila

would certainly not make his motives and intentions known to others. The fact that there were no reported instances of actual sabotage by Japanese between the outbreak of war and the mass exclusion would tend to indicate that such individuals were definitely scarce in number. It must be admitted that during the first few months of the war there were ample opportunities for such persons to effectively carry out their motives. In view of these circumstances the assumption of actual or imputed knowledge on the part of loyal Japanese-Americans as to persons categorically dangerous to the United States is definitely without foundation.

Concerning the many Japanese aliens who were seized in the F.B.I. roundup and sentenced to the various permanent internment camps without release or parole by the enemy alien hearing boards, the public presumption is probably quite general that most if not all of them were dangerous enemy aliens. This concept is based to a large degree upon sincere faith and belief in the integrity and methods of these boards in granting a fair hearing and in meting out justice in the recognized American manner. The fact that such boards are not courts of law in any recognized sense of the word is probably overlooked. So also are the accepted American principles of criminal law that the defendant must be presumed to be innocent until he is proven guilty beyond all reasonable doubt; that he has the right to be confronted with witnesses for the prosecution as well as the right to call witnesses for his defense, and that established rules of evidence must be followed in the conduct of the case. The distinction between a hearing before an administrative board and a trial before a judicial court of law is a matter which the public in general has given little if any consideration

Omachi
Gila

in formulating its opinion about these internees. Nor is the public inclined to recognize as an ameliorating factor the fact that about one-half or more of those who were seized by the F.B.I. were released or paroled by the hearing boards, even though so constituted and hearings had not taken place for many months.

Although the attitude of the American public has thus been unduly influenced against the Japanese as a racial group, the feelings and sentiments of the Japanese themselves to the actions of the F.B.I. and the hearing boards range from bewilderment to disdain.

Omachi

March 12, 1943

MEMORANDUM TO: Robert Spencer

FROM: Dorothy Swaine Thomas

On page 1, Omachi states that he will touch "particularly upon the economic losses of certain evacuees" with whom he has had personal contact or about whom he has relatively direct information.

On page 2, he specifies further that he will deal with the family, rather than the individual.

On page 3, he outlines an excellent system of stratification, i.e. four large occupational groups, subdivided into numerous smaller occupational classes.

All of this is excellent. The only trouble is that he has not, up to page 30, followed this procedure. Pages 1-30 may, however, be considered a general introduction, so I shall offer no detailed criticism at present. In order to get the material in hand, however, I suggest that you ask Omachi to meet a series of deadlines for presenting the first, crude, case reports. No effort should be made to have a "finished product" at present. The first deadline could be March 27. By that time, I should like to have the following in my hands:

Economic Losses of Professional Families.

Each such family known to Omachi should be listed. (Pseudonyms may be used). Data should include: composition of family, (age, sex, citizenship, marital status, specific occupation of each member); residence at time of evacuation; former residence. Then should follow an analysis of the professional career if possible. Income from profession, types of clients, other income. Complete analysis of economic losses. Where estimates are made, indicate basis for estimate. Where exact figures can be given, specify source. Write a brief descriptive account of the case.

Then we shall set another deadline for the "business group." And so on. In this way, I shall have enough data at hand to be able to submit any further suggestions and criticisms direct to Omachi.

Dorothy Swaine Thomas

DST:mw

Joseph I. Omachi
Gila

The preponderant feeling among the Japanese appears to be that the F.B.I. arrests were systematic but without sufficient or reasonable cause as far as probable relationship to subversive activities on the part of those arrested were concerned; also that the decisions of the hearing boards in determining who shall be released or paroled and who shall be interned for the duration were quite haphazardly made and were erroneous in too many cases. This attitude is based in large measure upon reports of those released or paroled that most of those who were good talkers and were careful not to make any incriminating admissions had come through without being interned for the duration while those who could not speak English or answered hesitatingly and ineffectively were held. There appears to be considerable resentment on the part of many that persons known to be entirely innocent have been interned while others have been freed even though their prior connections and activities were such as might be considered ground for suspicion.

Suspected subversive activities on the part of the Japanese on the West Coast was an activating factor in the formation of the Dies

Note:

Since my last observations as to the number of Japanese ordered interned and those released or paroled the following news item has appeared:

"2199 Japanese to be Interned for War.

Washington, March 19 (UP) - "Internment for the duration has been ordered for 2199 Japanese picked up as dangerous alien enemies since Pearl Harbor, according to Attorney General Francis Biddle.

"He said 4163 alien enemies of all nationalities have been ordered interned, 3257 paroled and 1151 released, while the cases of 500 others are pending. More than 9000 in all have been seized.

"In addition to the 2199 Japanese interned, 1455 have been placed on parole, while only 432 have been released."

1. Stockton Record, March 19, 1943, p.5.

Committee. Its investigations and findings are matters of record and in all probability may have motivated the army's decision that compulsory mass evacuation was a military necessity due to the possibility of danger to the security of the areas affected. Why this situation was so peculiar that the army had decided that only the Japanese should be evacuated and whether such decision should be taken as infallible are matters which would bear careful scrutiny in the light of the established principles of American democracy upholding freedom and equality of treatment. Because of such action this nation is now faced on the home front with an issue of fundamental significance as to whether such democratic principles are still in existence or whether they have been conveniently set aside because of war and supplanted by a form of totalitarianism and "semi-martial law".

With compulsory evacuation thus an impending actuality Japanese were faced with the dire necessity of disposing of their property and of making various arrangements as to their businesses and homes under circumstances which affected them adversely in many ways. Among the principal handicaps incurred, the most significant factor was probably the uncertainty as to when particular areas were to be evacuated. Just prior to March 27, 1942, when voluntary migration from Zone 1 was prohibited by Public Proclamation No. 4, there were many families which hastily gathered up a small part of their belongings and moved out of the Zone without bothering to make anything approaching a reasonable deal as to their remaining property.

One family consisting of the parents and three children residing in the San Fernando section was scared away by rumors in that area that all Japanese who did not get out immediately would be shot. This family

had been engaged in raising vegetables on 20 acres of land under an oral lease and had some growing crops, farming tools and household equipment reasonably valued at \$2000. The land owner had gone ahead and made arrangements with another Caucasian tenant to take over the place and together they had made promises that they would take care of the crops and the other property and had imposed upon the Japanese to leave everything on the place. The five family members loaded up their small passenger car with few necessary personal effects and moved out to the Sanger section. They kept in touch with the new tenant by letter and were told not to worry as everything will be all right. After being evacuated to Gila further contacts were made with similar assurances given. Recently a friend from their home town wrote them a letter stating that the tenant had moved away without stating his destination. Two clippings from a local newspaper were enclosed. They were "For Sale" ads enumerating the farming tools and household furniture left by the Japanese in this tenant's care. He had apparently sold the crops and the property and had skipped.

*Incl
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Some of the saddest cases of property losses have occurred among such Japanese who were compelled to move out prior to the general compulsory exclusion. A number of Japanese families who had resided near airports and power plants in Southern California had only about two days' notice and had been forced to abandon their berry patches and vegetable farms when crops were already growing or almost ready for harvest. They did not have enough time to sell or make binding sub-lease arrangements and in many cases the land owners stepped in to take over without compensation, reaping the benefits of their gains. Others such as Sakamoto of Compton were able to sell their interests but for

very meagre sums. Sakamoto had 10 acres leased and had a crop of strawberries which were almost ready for harvest in March, with an expected yield of at least 4000 crates. He and two other family members could have picked the crop with some hired help and netted at least \$2500 at 1943 prices. In addition to the strawberry crop he had prepared about 6 acres for vegetables and had applied \$300 worth of fertilizer. He also owned a house and farming tools valued at \$500. Because of the necessity of hasty evacuation from an airport zone, he sold all of his interests in the lease, crops and tools for \$375 and moved to Colorado. A reasonable price for all these things at the time of sale would have been \$1500.

There were many who felt that they would prefer to lose a few thousand dollars in the hasty disposition of their business and property in order to get out of the military zone voluntarily rather than to suffer deprivation of their liberty by confinement in any assembly or relocation center. Any gain that might accrue by reason of better deals that could be made while waiting for the exclusion order was considered to be of secondary importance and these persons had taken such losses and hastened on to Utah, Colorado and other points east. There were many others who had hastily moved east, whose principal loss consisted in giving up their previous jobs, and their property losses were not too extensive. The reports as to the re-establishment of these voluntary evacuees were none too encouraging and some have subsequently requested transfers to reside in relocation centers. Most of them, however, have found some degree of economic sufficiency and pride themselves in having evacuated to a free zone in spite of losses they had incurred and handicaps they had to overcome.

After further voluntary migration was prohibited on March 27, 1942, the 99 Civilian Exclusion Orders were issued from time to time requiring all Japanese in specifically designated regions of Military Area No. 1 to move to particular assembly centers. It was generally anticipated that those residing in the coastal sections in Zone 1A would be first removed and thus there was a general complacency in the interior regions about the urgency of taking immediate steps preparatory to evacuation. Many Japanese residing in these interior areas of California were of the opinion that they would in all probability have several months' time in which to make necessary arrangements. Some felt that they would be permitted to stay at least until fall so that they could complete the harvest of their crops. Few expressed the view that those in Zone 1B may not have to evacuate at all. There was little serious effort made towards disposing of their business and property interests until they were faced with the actual necessity for it. As late as the latter part of April there were many who believed that Zone 1B would not be affected for several months.

The speed with which the exclusion orders were issued was shocking. So also was the apparently haphazard order in which various sections were affected and the short notice given for preparations. Civilian Exclusion Order No. 24, for instance was issued on April 26, 1942, stating
1.
in part as follows:

"1. Pursuant to the provisions of Public Proclamations Nos. 1 and 2, this Headquarters, dated March 2, 1942, and March 16, 1942, respectively, it is hereby ordered that from and after 12 o'clock noon, P.W.T., of Sunday, May 3, 1942, all persons of Japanese ancestry, both alien and non-alien, be excluded from that portion of Military Area No. 1 described as follows:
(Portions of Contra Costa, San Joaquin and Alameda counties)

1. Civilian Exclusion Order No. 24 -- Headquarters Western Defense Command and Fourth Army.

"2. A responsible member of each family, and each individual living alone, in the above described area will report between the hours of 8:00 A.M. and 5:00 P.M. Monday, April 27, 1942, or during the same hours on Tuesday, April 28, 1942, to the Civil Control Station located at:

Odd Fellows Hall,
Main Street
Byron, California

"3. Any person subject to this order who fails to comply with any of its provisions or with the provisions of published instructions pertaining hereto or who is found in the above area after 12 o'clock noon, P.W.T. of Sunday, May 3, 1942, will be liable to the criminal penalties provided by Public Law No. 503, 77th Congress, approved March 21, 1942, entitled "An Act to Provide a Penalty for Violation of Restrictions or Orders with Respect to Persons Entering, Remaining in, Leaving, or Committing any Act in Military Areas or Zones," and alien Japanese will be subject to immediate apprehension and internment.

J. L. DeWitt
Lieutenant General, U.S. Army
Commanding"

For about one to two months previous to the actual exclusion orders the WCCA and Federal Reserve Bank officials were urging all Japanese to prepare for evacuation and informed them that the orders are expected within a very short time. Effort was therefore made by most families to dispose of their interests, but to make reasonably satisfactory deals in the face of impending exclusion orders affecting all Japanese was an obstacle inherent with insurmountable difficulties and the economic losses suffered thereby were very extensive. How these obstacles were met and the extent of such losses on the part of various occupational groups, will bear some considerable treatment in detail.

Economic Losses of Professional Families

Viewing the extent of the losses incurred by the evacuee doctors, lawyers, dentists, pharmacists, optometrists, insurance agents, ministers and teachers and their families, comprising the professional group, it appears that as a class their property losses because of compulsory exclusion were comparatively smaller than the business or farming groups. The obvious reason for this is that land, equipment, tools, goods or crops are not income-producing factors to the extent that such property are with the other groups. The necessity of disposing of their property by sale or rental was not as acute. The problems incident to making necessary arrangements for evacuation were comparatively simple. Depending as they were for their livelihood upon specialized services, the necessity of effecting transfer of productive interests was not present. Thus, most of them had only to close up their offices or quit their jobs, put their necessary tools and books into storage, dispose of their cars and their home and office furnishings, and move out to the designated assembly centers. The losses involved in disposing of such property as were sold were substantial in the case of some persons but in most cases their losses were not too great.

Although the property losses of this group were relatively nominal in extent, the losses suffered by reason of curtailment of income have been and will continue to be quite substantial in amount. Families of professional persons accustomed to living on fairly lucrative incomes have been reduced to the living standards of camp life. Possible savings that could have been accumulated and benefits that

might have been obtained by continued earnings are lost entirely. Opportunities to earn substantially larger incomes during the war by reason of increased activities and higher prices have been snatched away by the evacuation.

The prospects in the future for this group appears to be none too bright. Their activities in the past have in the main been largely confined to their relationships with Japanese clients. This is particularly true of the Issei professional men and whether they can expect to establish anything like their former practice or command salaries in conformity with their education and experience are economic problems as to which there does not appear to be great hopes or possibilities. The fact that there were various communities with concentrated groups of Japanese in the pre-evacuation days had given rise to the need as well as the opportunity for many of the professional persons.

The governmental policy of spreading such groups as thinly as possible over many different states and sections would present a serious problem of readjustment for the Japanese as a whole but particularly for the professional families. It is conceivable that the Nisei among them might gradually become re-established in such mixed communities but many of the Issei group will find it difficult to do so unless, of course, they are exceptionally qualified in their profession and are capable of carrying on under entirely different conditions. Those less qualified or adaptable will be faced with problems as to whether to continue in their profession under trying conditions, or to engage in some other occupation in which they might at least be able to eke out a living, or to go to Japan in the hope of continuing in their

profession under better conditions. There appears to be little likelihood that the post-war period will find the evacuees concentrated in the Pacific Coast areas as before and the opportunities of the past will to that extent be lacking.

Considering some specific cases, Dr. Yamada of Stockton, California, has been a practicing physician for more than 20 years. An Issei of about 60 he is married and has a son and daughter. Although he has formerly had a good practice it had dwindled in recent years as younger doctors had opened their offices in the city and he was met with competition with their more modern technique. He had managed, however, to provide his children with a college education and had kept a respectable home and office, both of which he rented. To do so he had to spend all of his savings and to borrow money on his life insurance policy. His net income prior to evacuation was about \$2000 per year and was derived almost entirely from Japanese patients. His knowledge of English is limited. At the time of evacuation he had stored his instruments, equipment and most of his home and office furnishings so that losses incurred by disposition of such property as he had sold were negligible. Although loss of earnings by reason of evacuation is a factor of some significance, his principal problem is that of re-establishment after the war, in the event that his age and health condition should enable him to continue practice medicine. Handicapped as he is by lack of special qualifications, he would find it difficult to carry on in an American community and unless he could practice again in a Japanese community it is probable that he would have to be dependent upon his son and daughter to a considerable extent for the rest of his natural life.

A Nisei dentist, Dr. Shidami, had opened up his office in Stockton about 3 years prior to evacuation. He had spent about \$1200 for plumbing and carpentry work in fixing up his office in rooms he had leased for 10 years. Expensive dental equipment and tools were being purchased under installment contracts. In the course of about a year his practice began to pick up considerably. He married, purchased some household furnishings and made improvements on a home which he was renting. At the time of evacuation he was on the verge of a successful career as a competent dentist. His patients were principally Japanese, although some were of various other racial groups. After paying off the balance due on his office equipment, he arranged ^{with} an American dentist in the Bay Region to use it for him. The investment made to fix up his office was a loss to him since he was unable to assign the lease of the rooms to anyone. Expenditures for the improvement of his home also turned out to be a loss as he had but a short time in which to enjoy it. To the loss of approximately a thousand dollars incurred because of such investments can be added the loss of his probable net earnings of at least \$2000 per year during the period of his confinement.

The problem of readjustment in the post-center life will loom greatest in estimating the economic effects of evacuation in his case. Being a Nisei whose thoughts, expressions and reactions are typically American, his only handicap in becoming successfully established in any American community is his race and color. His initial success might be attributed in part to the fact that he was born and reared in Stockton and thus had many friends as prospective patients, but his skill and ability compare favorably with the better dentists of any

locality. If he should open an office in an American community, it is probable that he could command a fairly good practice on the basis of his ability but it is likely that considerable more time would be required for him to become established than when he first started in or if he were not of Japanese descent.

Another problem which may not affect him as adversely as others who have been out of school for a long period of time is that of obtaining a license to practice in any state outside of California. I am informed that there is no reciprocity between states as to dentists and it would be necessary for him to pass the state examinations in order to practice in another state. In this regard an Issei dentist from Oakland, who is generally known to be an outstanding practitioner who has had a large number of American clients many of whom have been accustomed to travelling 60 miles or more to seek his services, has indicated to me that since he has been out of college for more than 20 years it would be impossible for him to pass a state examination for a license to practice in another state in event that he should be unable to return to California. He has also stated that many Issei dentists have taken an examination during their visits to Japan and have obtained their licenses to practice there in event of possible contingencies but he had resolved to live in this country for the rest of his life and to bring up his family, composed of a wife and three children, in accordance with American customs and ideals. In his case he states that even if he were permitted to take advantage of the WRA resettlement program, he would be at a loss as to what to do.

Passing on to the consideration of other professional men, Dr. Kihara of Stockton has been a practicing optometrist for more than

four years prior to evacuation. He was a bachelor during that time but became married after evacuation. During the period of his practice he has enjoyed modest success and was recognized as well qualified in his profession. Although born in Japan his parents had brought him over to this country when he was a child and except for his Japanese citizenship he is a typical Nisei. At the time of evacuation he sold his heavy equipment and furniture at a fairly reasonable price and stored all of his essential tools. He also had a new car which he sold. Losses from such sales/^{were} nominal and did not exceed \$500. As he was living in a hotel he did not have to worry about disposing of household furnishings. The principal and all-important economic problem in his case is similar to those of others in the various professions. Would he be able to establish himself in his profession in event of relocation to an American community? In his case as with most others his initial opportunity came to him by reason of his practice in a concentrated Japanese community and practically all of his customers were Japanese. It is quite unlikely that he would invest money in opening up an office in a community where there are few if any Japanese. Even if he should return to California after the war the situation is likely to be far different from the pre-evacuation days as the number of Japanese returning would probably be small. Many will undoubtedly settle down to live in other states while others will go to the Orient. Thus, the situation may be such that it may not be practical for him to continue in his profession and he may have to earn his living in some other field of endeavor.

A somewhat analogous situation confronts Mr. Ebana, a Nisei pharmacist, who had been working for a thriving Japanese drug store in

Stockton for about 3 years prior to evacuation. His salary averaged only about \$120 per month but he was able to get married and maintain a rented home because of financial assistance from his parents. Losses by reason of the evacuation were nominal in his case but the post-center era will probably find but few Japanese drug stores in California or in any other state and chances for employment in this country will be materially reduced. Many Nisei pharmacists had tried to find employment in American concerns in the past because of the low salaries ordinarily paid by Japanese drug store owners but only a very few have found such employment. It is unlikely that the many Nisei and Issei pharmacists in the relocation center will find suitable jobs in their field after the war or in event of voluntary relocation to various parts of the country. Because of this situation many of them will undoubtedly go to Japan to find employment while others will turn to other occupations in event of failure to find employment as pharmacists in this country.

The problem of economic losses affecting evacuee preachers and priests presents a situation in which some differences can be noted between the Christian ministers and the Buddhist priests of the various Japanese pre-evacuation communities. Dr. Kato of the Japanese Presbyterian Church in Stockton, like all other Japanese Christian ministers, was receiving a compensation barely sufficient to maintain his family and entirely disproportionate to his ability and rank. Thirty five dollars per month was paid to him from the Presbyterian Mission Board in San Francisco which to some degree coordinated and supervised the work of the various churches of that denomination in the district. In addition \$65. per month was paid from the church treasury and \$25 per

month was from the Japanese language school fund, making a total of \$125 per month. On this compensation he supported his wife, daughter, daughter-in-law, and grand-daughter although the dwelling house was provided. Property and financial losses at the time of evacuation were negligible but the WRA policy against payment of wage advances and clothing allowances to religious workers has been a hardship within the center. In lieu of this, however, the Board has continued to pay the regular allotments and nominal additional sums of about \$15 a month are paid by the churches in the centers. Like a number of Japanese Christian ministers, Dr. Kato has been actively engaged in his work for more than 30 years and is now past 70. In the post-war era of re-establishment he will undoubtedly continue his church work to lend counsel and guidance in the many problems that are bound to arise, until such time as his health should fail him. The membership of the of the Stockton church was limited--being supported by only about 20 families, but its influence in the community at large through the years has been far-reaching and constructive. Most of its members consider Stockton as their permanent home and therefore have retained much of their business and property interests to go back to. Thus it is likely that the church will be re-established after the war and Dr. Kato or some other minister continue its work.

In contrast to the Christian ministers, Buddhist priests have been receiving much larger salaries and in addition receive considerable sums for special ceremonies, such as engagement rites, marriages, wake services and funerals. Rev. Adachi of the Stockton Buddhist Church was receiving a total compensation of about \$300 to \$400 per month in addition to living quarters and about a year prior to evacuation he had

returned to Japan as a fairly wealthy man. He had seniority in rank over two other priests connected with the church. One of them was apprehended by the F.B.I. and interned for the duration and the other priest was evacuated with every one else. With branches in several outlying districts the church had boasted a large membership made up of about 500 families, and its financial resources were quite extensive. However, the church had built a \$50,000 auditorium and recreation center upon which there is a \$20,000 mortgage. At the time of evacuation this mortgage had to be assigned to a group of about 13 of its wealthiest members in order to prevent foreclosure. Although the building is being used as a recreation center by the U.S. Army, the income from it is considerably less than current expenses for taxes and interest and is a heavy burden upon the church. With evacuation its financial resources has become exhausted. In the post-war period it is likely to meet great difficulties as it appears that aside from those members who might settle in the eastern or midwestern states many will go to Japan. The proportion of evacuees applying for repatriation and those who intend to go to Japan after the war is considerably greater among the Buddhist members than among the Christian group. As far as the Buddhist priests are concerned they have continuously maintained relationships with the Buddhist Churches in Japan and their future prospects in their profession is quite well assured. Their personal losses by reason of evacuation are quite nominal as even in the relocation centers their remuneration is being maintained by the Buddhist churches in the centers at a fairly high rate of pay.

Among others included in the professional group are the school teachers. Although there were isolated cases wherein persons of Jap-

anese ancestry were engaged in the teaching profession as teachers or instructors in colleges, high schools or grammar schools prior to evacuation, they were so few as to be practically negligible. Teachers as a commonly known professional group in the Japanese communities consisted of the language school instructors engaged in teaching the Japanese language in private schools. The omission of this course in the high schools had gone far towards making these private schools practically a permanent institution in many communities. In the smaller localities this function was being performed by the churches. Saturday classes were conducted in most of the Christian churches by the pastor or his wife. Buddhist churches in most communities sponsored daily late afternoon classes and stressed this phase of the children's education far more.

In Stockton the Buddhist Church had for many years maintained a large language school with afternoon and evening classes attended by hundreds of children and teen-age Nisei. About 7 instructors were permanently employed. In addition there were several daily schools in the outlying districts. Salaries paid to these teachers were very low, ranging from \$35 to \$60 per month and many of them were otherwise employed during the morning because of this. Mr. Hashimoto, for example, maintained a branch office of a Japanese-American newspaper in his home at Stockton and acted as local correspondent for the paper. From 2 p.m. to 5 p.m. on weekdays and all day on Saturdays he taught Japanese at French Camp, a nearby village, and received \$40 per month. With the outbreak of war he lost both jobs and was unemployed until the time of evacuation. The suspicion and investigation of the Japanese language schools after the war broke out had prevented their

continued maintenance and thus the loss of these teaching positions cannot be attributed directly to the evacuation program. Whether these schools will operate after the war appears doubtful and if they do not, hundreds of instructors such as Hashimoto will have to make economic adjustments to meet the new conditions.

Another group of persons who might be included in the professional group are the insurance agents. Real estate and insurance brokers might also be included but there were so few Japanese professionally engaged in such capacities that their treatment would be quite isolated. In every Japanese community, however, insurance agents were as inevitable as taxes and some of them have become quite wealthy in this pursuit. Life insurance constituted the principal commodity of all these agents while automobile, fire and other forms of property or liability insurance was a lucrative sideline for many. In most of the larger Japanese communities there were some agents also who were furtively engaged as "contact men" or "ambulance chasers" for American attorneys, under the guise of being merely interpreters. There were also some agents who acted as "marriage brokers" for families anxious to marry off their daughters. There were those too who, in addition to selling insurance, sought to make "deals" or obtain "cuts" out of real estate, business opportunity and personal property transactions of various kinds. Because of citizenship requirements for attorneys and the fact that there were but few Nisei lawyers, some insurance agents and real estate brokers in the various Japanese communities who had command of the English language to some extent had found the field ripe for making money as "shysters", giving legal advice and drafting simple legal documents for gullible Japanese in need of legal service.

Agents who were quite well established and respected in the community had, however, confined their activities to selling insurance for respectable companies.

An example of the "shyster" insurance agent type was Matoda, an Issei of the younger age group who operated in Stockton for a number of years. He sold life insurance of all varieties for many different companies, many of which were small and unsound. He also sold many forms of liability, health, accident and property insurance, either directly through companies he represented or through other agents and brokers who could fulfill the need. In addition he was engaged in soliciting criminal and civil cases, giving legal advice, drawing up leases, contracts and other legal instruments, and working together and sharing fees with American attorneys when he could not handle particular matters himself. Such activities of course, constituted unlawful practice of law by an unlicensed person and subject to criminal punishment but he was not deterred by this fact. Although he was not licensed as a real estate broker he had also engaged in this field whenever the opportunity arose. In spite of these varied activities his income was not large. Shortly after war broke out the State Insurance Commissioner had canceled the licenses of Issei insurance agents engaged in selling all types of insurance other than life insurance. Because of this fact and the general war conditions which had affected him, he had turned to still other fields. It was rumored that he had boasted to friends that he was working for the F.B.I. and was receiving \$25 for each person they arrested on the basis of information he had furnished them. Further rumor has it that he had approached several Japanese a few days before they were arrested and had obtained \$200 to

\$500 from each by telling them that they were on the list of persons to be picked up but if they would pay up he would see that they are not arrested. Losses by reason of evacuation in his case were negligible. He is married and has a child. His wife was working in a Japanese laundry and the family lived in a rented home. Because of his varied background, it appears probable that in the post-war period he will at least manage to earn a living.

The nature and extent of economic losses incurred by evacuee attorneys are somewhat similar to those of the various professional groups heretofore considered. Direct property losses by reason of evacuation, though relatively not of considerable significance can be noted in specific instances. A Nisei attorney in Sacramento had built a new home just prior to evacuation and he had to dispose of it at a loss of about \$1000 at the time of the order. He also took a loss on law books which he was purchasing on installment payments. A Fresno attorney had built a fairly elaborate office in a wing of his new home but was only able to use it for a short time before he had to dispose of it at a substantial loss. He moved out voluntarily to the Midwest. Another attorney in Fresno had passed the state bar examination, opened up an office and was able to practice for only about 3 months before he had to close up his office, thereby suffering a loss on expenditures made to establish his office.

Of much greater proportions are the losses due to curtailment of income, particularly at a time when all of the Nisei attorneys were busier than ever before by reason of the many new problems arising since the outbreak of war. In my own case I had conservatively refrained from taking advantage of the war for my own personal gain, but to

the rush of clients to my office was such that although I had in most cases only charged the minimum fees I had averaged in excess of \$600 per month between the commencement of war and the evacuation order. Some Nisei attorneys are rumored to have made twice as much, or more, during those months and such incomes were more than possible in view of the number and importance of the cases and the responsibilities connected with them. With the great increase in the number of governmental orders and regulations that have been announced from time to time since the war had started and the consequent need for legal service on the part of most persons, there is every reason to believe that the Nisei attorneys who were evacuated could have gained substantial financial security during the war if they were permitted to continue their practice.

In addition to such losses the problem of economic readjustment after relocation and during the post-war period is one in which the future is none too reassuring. It is probable, of course, that various types of employment may be available in which knowledge of law may be of some importance. Such activities may not, however, afford the satisfaction derived from private practice of law and the remuneration involved are likely to be considerably less. It is also improbable that a Nisei attorney can gain measurable success by opening his practice in an American community. In this respect the possibilities of success are quite analogous to those of the Nisei physicians and dentists.

The question of obtaining professional licenses to practice in other states than California has been considered as to dentists and the fact that reciprocity is not granted by other states in their case was noted. It appears that the same is true of California physicians, op-

tometrists and pharmacists and that this situation is due to the fact that in order to prevent competition with professional persons moving in from other states, California had for some time followed the policy of refusing to recognize their licenses, and consequently, all other states in turn have refused to reciprocate as to California licenses. It is said, however, that a Nevada license for pharmacists will be granted reciprocity in most other states. Doctors who have passed the National Medical Board examinations are entitled to practice in all states but very few, if any, have had the foresight or have taken the trouble to take this step. As far as the situation with respect to attorneys are concerned California lawyers can be admitted to practice in most states upon making the required application and furnishing proper recommendations. It appears that Arizona requires the recommendation of a judge of an appellate court of the former state of the applicant. In view of the fact that very few attorneys in any state have had any appellate court practice, this requirement seems unnecessarily harsh. Most states require the recommendation of a judge of the state trial court of general jurisdiction, which in California is the Superior Court, and the procedure for obtaining a license is to that extent simplified.

Some of the economic problems affecting particular professional men in Stockton have been discussed and it appears that these are the problems as to which the most concern is expressed by others in the various professions. In a community of about 3000 persons including those in the outlying rural areas, which comprised the Japanese population of Stockton, there were 4 doctors (2 Issei and 2 Nisei), 4 dentists (1 Issei and 3 Nisei), 1 optometrist (Nisei except for citizenship),

4 pharmacists (all Nisei), 2 Christian ministers (Issei), 4 Buddhist priests (Issei), about 12 language school teachers^(Issei), 4 insurance agents (Issei) and 1 attorney(Nisei). Thus as to professional services the community was fairly independent and self-sufficing. This situation had also prevailed in other communities, such as San Francisco, Oakland, Sacramento, Fresno, Los Angeles, Portland and Seattle and was the gradual outgrowth of conditions surrounding the history of the Japanese race in this country. A large majority of the Nisei who have been engaged ⁱⁿ the principal professions have started their practice within the past 10 years and only a scattered few have had 15 or more years of professional experience. The Issei group, on the other hand, have in practically every instance been engaged in their respective professions from 20 to 30 years.

Economic problems affecting the doctors and dentists in the various relocation centers are in many respects of peculiar significance. At the time of evacuation this group was required to report to particular assembly centers in order that medical and dental services may be made available in every center as equally as possible. In many instances notices to report had been given only about 24 hours in advance and this fact had been the source of unnecessary losses because of inability to make suitable arrangements for the disposition of their property. Upon arrival at the centers they were faced with lack of necessary equipment, tools and facilities. In practically every instance, it was necessary for them to meet this situation by furnishing their own tools without receiving any compensation for their use. After the transfer to the relocation centers the WRA has promised them a reasonable rental for the use of such tools, but even at this late date they have not yet been

compensated, although they have been continuously using many of their own tools right along. Also, because of the necessity for medical and dental services at the centers doctors and dentists will, in all probability, be required to remain as long as the residents are kept in the custody and care of the government and the opportunities for resettlement will thus be denied to them. As a matter of technical right, the W.R.A. is granting them the privilege of resettlement, but as a practical possibility the difficulties involved in providing replacement for the centers would prevent such movements.

Those who are engaged in the other professions are not thus handicapped in regard^{to} voluntary relocation and resettlement and some have already gone out. A Nisei pharmacist has recently moved out from Gila to Montana with the sugar beet workers to engage in farm work with his wife and brother as ordinary laborers. An attorney from Manzanar had similarly gone out to work in the beet fields last fall although his departure had caused considerable grief and difficulties for the residents of that center since he was the only evacuee attorney there. The relocation program will thus gradually diminish the number of professional evacuees in the various centers. The possibilities of obtaining professional employment, however, appears to be quite scarce and the situation appears to be one in which almost any type of work that is available must be pursued in order to enjoy the liberties of outside life. On the other hand to continue to live in the center is of no benefit economically because the need for professional services among the residents is such that gainful pursuits as the camouflage net work in which earnings of from \$150 to \$225 per month at Gila are common, are not feasible.

Life in the center also presents such incongruous and disheartening situations such as a Caucasian wife of a Nisei evacuee receiving a salary of about \$200 a month teaching grammar school while Nisei teachers receive \$19 a month, and Caucasian laboratory research assistants receiving about \$300 a month while the Nisei bacteriologist in charge of the research is being paid \$19 a month. Thus, the economic problems of the professional evacuees, whether in the relocation centers or in outside employment presents a picture which appears to be a real dilemma.

ECONOMIC LOSSES OF BUSINESS GROUPS

The extent of the economic losses attributed to the compulsory mass evacuation of those of Japanese descent who had been engaged in business is without question very considerable in amount and has presented various problems of adjustment which will undoubtedly be of much significance in the post-center life of the family groups affected. A substantial percentage of the evacuees, perhaps from 25 to 30 per cent, had depended for their livelihood upon various trade and business activities. The great majority of these business enterprises were made up of small stores and shops dealing in the retail sales of goods and merchandise for personal consumption and of restaurants, hotels, garages, gasoline stations, cleaning and laundry establishments, etc. rendering necessary personal services. Most of these businesses were concentrated in the cities in sections and areas inhabited by other minority racial groups, particularly the Chinese and Filipinos. In practically every hamlet and town in the neighborhood of which resided a few hundred Japanese families, however, there was at least ^a general merchandise store or two and a fish market. Although many of these establishments catered principally to Japanese customers, most of them relied upon business from the general public. In practically every instance they were family enterprises in which few, if any, hired help were employed.

As the sudden necessity for disposition of these businesses became clear, the Japanese merchants and businessmen were faced with problems beset with utmost difficulties. In a few short weeks they were required to sell or liquidate their business as best they can

Evacuation order became impending various negotiations were made towards selling the store. The W.C.C.A. Commercial Property Division was contacted and advertisements carried in newspapers to sell out. A number of interested purchasers, all bargain-hunters, came to inquire about its possibilities and the price in particular. The business was a good buy at \$8,000 but \$6,000 was asked at first. Every prospective purchaser upon one pretext or another would try to have the price reduced ~~in spite of the fact that the fixture and equipment were modern and in good condition and the stock on hand were all well known grades and types.~~ During the period of these negotiations Kano realized that as his price would not be met he should dispose of the merchandise from day to day without trying to re-stock. In this way some of the merchandise became depleted prior to actual sale. The business was conducted in rented quarters and was of such a nature that there was no possibility of operation after evacuation by hiring a manager or agent, and sale of the entire business was the only course. The W.C.C.A. tried to be of assistance but could not find any suitable buyer. Those who seemed interested would not commit themselves but stalled for time knowing that the price would have to be drastically reduced in a last minute sale. Caught in this wedge of adversity Kano in final desperation was eventually in a position where he sold out for only \$3,500. The reasonable value at that time was at least \$7,000. The amount thus realized was insufficient to pay off debts and liabilities incurred to wholesalers and to the landlord for rentals accumulated. He was forced to sell his family furnishings, including the range, refrigerator, and other articles, also for about one-third to one-half the reasonable value, to pay off these accounts. His friend who had invested in the business had become ill from worry and had died from complications due to brain trouble. Kano and his wife became penniless with debts

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in preparation for compulsory evacuation. The compelling nature of the scene was such that they were faced with every disadvantage conceivable. Reasonable prices were out of the question in the sale of businesses when prospective buyers were aware of the fact that the sale would have to be effected, whatever the price, if the owner is to salvage something out of the enterprise. The paucity in time was a bargaining factor for the buyer, as well as the fact that there were many other Japanese stores in a similar predicament with whom he could deal to his advantage. In the uncompromising situation thus presented the results were disastrous for almost every Japanese businessman and their families. I have not heard of a single instance in which any of them were successful in making arrangements or disposals whereby they had/a loss of some extent. Cases are numerous wherein heavy losses running into tens of thousands of dollars had been incurred by the families, and losses of \$2,000 to \$5,000 are commonplace.

Cases such as that involving Kano and his wife are significant and might be considered more or less exemplary. They are both Issei in the fifties, without any children. They had been engaged in the retail fruit and vegetable business at Stockton for many years. Having become moderately successful they had moved to a promising location on Wilson Way and had enlarged their activities to the operation of a grocery and meat department in addition to the fruit and vegetable business. Their investment in the business was about \$10,000 part of which was put up by a wealthy friend. The store did practically all its business with American customers. After the outbreak of war its business declined because of general anti-Japanese sentiment and the fear of possible violations of the Trading with the Enemy Act and store assets were reduced to about \$8,500 to meet the changed conditions. When the

still outstanding, and their faith and morale broken. In their aging years they must face a future post-war era without any funds to show for their years of toil and they must again start anew to make their livelihood.

In order to minimize and avoid as far as possible such ruinous and disastrous sales of ~~the~~ businesses many Japanese grocery store owners had disposed of practically all of their merchandise by conducting "special evacuation sales" to the buying public, and had placed their equipment and fixtures in storage if satisfactory prices could not be obtained for them. This practice was particularly true in the small towns where the store owner was also the owner of the building, and in these cases all of the equipment and much of the unsold goods and merchandise which were of a durable nature were simply left intact in the building and locked up. Though immediate losses were somewhat reduced in this manner there could be no avoidance of losses due to deterioration, depreciation and obsolescence. The risk from losses by reason of burglary, fire, vandalism, etc. would also be extremely hazardous and would have to be borne by the owners as insurance companies have refused to grant coverage in most of these instances where no caretaker is available to keep watch over the premises. Facilities for government storage of commercial property were unavailable and some evacuees had been compelled to incur additional expenses by storing their property in private warehouses.

Evacuees who had been dealing in groceries and food products on a credit basis had in practically every instance suffered heavily from uncollectible accounts. Many have indicated that thousands of dollars were outstanding to customers of long standing who had prior

to evacuation been very prompt in making their payments but after evacuation had utterly disregarded and ignored statements sent to them. Some have indicated that they have turned many of these accounts to collection agents, agreeing to pay them one-third to one-half of the amounts collected, but that these agents have^{not} been diligent in their efforts and have been unable to effect the collections. The situation with respect to Japanese debtors was just as bad or worse as most of them had also suffered losses of their own and were unable or reluctant to pay up their accounts. There were many among them, however, who have stated that though they could not pay now they would sign notes to pay at a future time when their resources would permit, and this has been done in these cases.

The hotel and rooming house business was a line in which many Japanese had been engaged in the various cities of the Pacific Coast prior to evacuation and in Stockton, in particular, there were about thirty or more of these Japanese establishments. Some of them had been engaged in housing Japanese agricultural laborers during the slack seasons and had been available as a source of convenient labor supply to the farmers in the vicinity who needed workers from time to time. Most of these hotels, however, had merely carried on a regular hotel or rooming house business catering to the general public for their trade. Rooms were rented for about 25¢ to 50¢ per night and most of the customers consisted of transient farm laborers among Filipinos, Mexicans, Negroes and unattached Caucasians. The work of taking care of these hotels was performed by family members and no employees were hired in most cases. The fact that the work required was not too cumbersome and that the profits were sufficient to maintain the family had lured many Japanese to go into this business and some have been

very successful and have been able to save up a fairly large nest-egg.

Mayeda and his wife, both aged Issei with several grown children, had been operating a cheap rooming house on Center Street for more than ten years. Located in that part of Stockton commonly known as "skid row", they had catered to "drunks and bums" to whom rooms were rented for 25¢ per night. Furnishings and services were quite poor and commensurate with ^{the} rates but they had kept the place fairly decent and clean and were therefore able to obtain plenty of business and had become moderately well-off financially. When evacuation became an impending actuality they had arranged to have a Caucasian friend take over the business and pay a nominal rental of \$15.00 per month for the use of the hotel furnishings, probably valued at about \$2,000. The city health department, however, refused to approve the transfer under regulations of the city requiring that certain standards of sanitation be met. Considerable expense ^{would have} ~~to be~~ incurred to comply with these regulations in ~~event that~~ the business ~~be~~ turned over to the friend under the rental arrangement. The situation proved to be one which was a real dilemma as here was a going business which could not be transferred or sold unless the seller should incur expenses out of all proportion to the benefits he might gain by the transaction. In this case a partial solution was temporarily arrived at by having the friend operate the hotel as before merely in the capacity of agent and without effecting any transfer or rental agreements. The agent was not obligated in any way for payment of rentals for the use of the hotel furnishings although an oral understanding was had that if there were profits from the operation of the business in excess of expenses and reasonable compensation for the agent's time and services the owner would be reimbursed.

Japanese hotel-keepers who had maintained better class hotels complying with the city health regulations had fared somewhat better and were able to make more satisfactory deals, or so they thought at that time. These deals were mostly in the nature of sales of the business or rental or sub-lease arrangements. Prices and rentals were significantly below the amounts which could ordinarily be commanded in normal times and the fact of impending evacuation was definitely a serious handicap to the proprietors. Where sales were made the prices ranged from about one-third to two-thirds of the reasonable market values. Anyone who was able to sell for one-half price or more was considered fortunate. Those who made rental arrangements had done so primarily because they were interested in keeping the business to have something to go back to after the war. Therefore the rental consideration set in most cases was nominal and ranged from \$15.00 to \$35.00 per month for the use of furnishings which ordinarily would command several times such figures. There were a number of hotel-keepers who made agency arrangements similar to the one entered into by Mayeda and though it was not anticipated that proceeds would be forthcoming, in some instances where capable and conscientiously honest agents were appointed, the results have been better than ever thought possible. This was due to the fact that acute housing shortages began to develop in the vicinity because of the influx of many defense workers. In most cases, however, the evacuees have been unable to realize any substantial benefits from this increased business activity. The losses incurred in the sales of hotels and in the amount of rentals being received have run quite high and of course the families affected by these losses will suffer, especially after the life in the relocation centers has been termina-

ted and the struggle for livelihood is resumed.

"B"
Apparel shop and dry good store owners represent a group of business men who have suffered especially heavy losses, particularly among those who have had large stocks of clothing and merchandise which they had purchased just prior to or soon after the outbreak of war in anticipation of a rising market. The Yamamotos in Stockton, as an example, had a well-established and profitable clothing store which they had been operating for more than 20 years. More recently they had expended considerable funds in modernizing and improving the store and their line of merchandise. After the war in Europe broke out and rising prices became apparent, they had stocked up heavily and at the time of evacuation there was a very large inventory of goods on hand. The entire business was reasonably worth in the neighborhood of \$50,000. After considerable negotiation they were able to dispose of the business but losses in excess of \$20,000 were incurred in the sale. The fact that the store was favorably located and was stocked with readily marketable merchandise had been a material factor in avoidance of further losses. The family consisted of father and son and their wives and children, and though they were considered quite wealthy, their disappointment was marked. Their losses compared favorably, however, with many other Japanese dry good stores which were able to realize only about 30% to 50% of their reasonable value. In the course of negotiations for the sale of these stores, no monetary value was given in most cases for business goodwill established after years of continued business based upon sound trading practices. Prices of sale were based necessarily only upon tangible equipment and property because of the adverse conditions that had to be faced by the Japanese merchants in being unable to

hold out for better or more reasonable deals. Thus, the more merchandise and property they had the heavier their losses were.

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A similar situation was confronted by Japanese laundry owners. Two Stockton families comprising about 18 members had owned a very successful laundry business in Stockton. Their investments in the business and improvements over ~~xxx~~ more than ten years during which they had been operating had well exceeded \$50,000. Making reasonable deductions for depreciation of their equipment, such as washers, dryers, mangles, pressers, delivery trucks, etc., the tangible property alone was worth more than \$35,000 in 1942. Their established laundry route and list of customers would ordinarily have been valued at not less than \$5,000. The building in which they operated was being rented for \$300 per month but if the laundry equipment were to be removed the landlord would be fortunate if he could get one-half of such rentals. On the other hand as the equipment was bulky and heavy, expenses of removal would be high and costs of storage would be heavy. In view of such considerations repeated advertisements and negotiations were made to find some suitable purchaser. In the few weeks in which such arrangements could be considered before evacuation, they were induced to dispose of their entire business interests for only \$12,000. The losses thus incurred exceeded \$25,000. If they were to try to purchase a similar business themselves at this time, it would cost them at least \$50,000.

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A drug business owned and operated by a Stockton family in which there were 7 members, two of whom were pharmacists, had incurred losses exceeding \$5,000. They had been in business for more than ten years and were generally recognized as being quite successful. Although the business was worth about \$8,000 they were unable to

find any suitable purchaser. Therefore, they had posted special sale advertisements and conducted business at greatly reduced prices in order to salvage as much as they could out of the business. Thereafter, the remaining merchandise and store fixtures were sold out to a Jewish "hawker" for about one-fifths their actual value. Thus, a business which had been supporting the family in quite moderate circumstances for many years was entirely disposed of. Their losses were less than those of another Japanese drug store in Stockton which had also conducted a special sale of merchandise but could not dispose of everything in the store, and had therefore, made an arrangement to rent storage space in the basement of the building from the landlord and placed the remaining property there. Within a few months after evacuation, the owner was informed that someone had broken into the basement and had ransacked the place of all merchandise of any value.

and "D" The types of business heretofore considered were dependent upon large stocks of merchandise or considerable equipment and fixtures or both of these for their trade and profit. In such types of business the losses were necessarily heavier even if the owners were fortunate enough to dispose of them at prices of one-half or more of their actual or reasonable values. Those who were able to sell for prices ranging from three-fourths to full value represented a rare and practically non-existent class. Losses incurred by business men who were engaged in rendering various lines of business services, in which merchandise or equipment was not such a dependent income producing factor, had been proportionately of lesser extent, even though they might have only received one-third to one-half of actual values for business property sold or otherwise disposed of. Businesses of

the latter type included restaurants, cleaning establishments, barber shops, beauty shops, and shoe repair shops. An advantage in bargaining for higher prices was had by those in these lines of business in that the equipment used in their respective shops were fixtures of a durable nature and in event that satisfactory deals could not be made they could at least put their property in storage for use after they should return. An alleviating factor in most cases also was that the fixtures had been used for many years during which beneficial use had been already obtained from them, and losses which were incurred in their disposal had not greatly affected the financial and economic situation of the owners. In some cases, however, where considerable expenses had been recently incurred towards improvement of their stores and shops, losses incurred ran heavy as the full or substantial value of such improvements could not be realized.

"X"
A typical Japanese restaurant located in Stockton had been operated for many years by a family of 7 grown-up persons, about four of whom were always working in the business. Their trade was with Japanese and they had served ordinary Japanese dishes for those who lived in hotels and rooming houses or temporary visitors in town. Their only investment in the business was for a large gas range, dishes and utensils, some counters and other furniture, and a current supply of food products. As most of the equipment was old a reasonable value for the entire enterprise was probably only about \$500. Prior to evacuation the property was sold for \$200, ~~and their losses were therefore negligible.~~

"y"
A cleaning shop operated by a Japanese family of four had as their only equipment a suit presser and hat blocker. They had a few supplies such as clothes hangers and wrapping paper. On their hangers they had a number of dresses and suits which were unclaimed for several

months. After complying with the requisite legal requirements as to notice and advertisements, all of these items were sold for \$300, and that was approximately the full value of the business property, not considering the suits and dresses. Thus, the family did not suffer losses of any extent whatever, as far as property values were concerned. Their loss, however, was intangible - loss of a means of livelihood. The parents are quite aged and infirm and they probably would find it difficult to make a living at any other trade or occupation.

A barber shop owned and operated by an Issei man and wife had provided subsistence and support for themselves and their three children for more than 15 years. They had also operated a bath house business in the same shop. The total value of all of the equipment and fixtures was approximately \$500. A prospective purchaser wanted to purchase the entire business and negotiations were made towards selling the business for \$350 but the purchaser was unable to pay cash. When asked to put up a deposit of \$100 under a contract to pay the balance in installments, he could not raise the money. Therefore, rather than to risk the loss of payments from such an individual the owner removed such of his equipment as he might be able to use later and placed them in storage.

A Nisei girl had opened up a beauty shop in 1939 incurring expenses for equipment and re-modeling of about \$700. She was able to obtain a fairly good trade and had been able to support herself and her aged mother from the income from the shop. Just prior to evacuation she had an offer of purchase for the sum of \$300 and she accepted it, receiving the money in cash. Considering the depreciation and use that she was able to get out of the shop equipment during the three and one-half years that she was able to operate, she

did not suffer much financial loss in the transaction. After the war she could open up another shop if the business outlook in the trade should look promising. The problem which she must face is whether there would be enough trade in a post-war community in which there might be but a few Japanese, to warrant her in opening up another shop. During the period in which she was engaged in business practically all of her customers were Japanese. Whether her race would be a material handicap if she were to operate in an American community, to the extent that she might be deprived of a means of livelihood from the only business in which she is trained, is a problem that she would probably have to solve quite bluntly and realistically.

A shoe repair shop in the country town provided the income for the support and maintenance of an Issei and his family, consisting of his wife and six children. He had been operating for more than 20 years and during that period he somehow managed to send all his children through high school and three through college. The investment in the store was about \$2,000. Rather than to sell all his interests and take the risk of being unable to purchase necessary repairing equipment^{after the war}, he decided to store everything in the shop and lock it up for the duration so that he could return and continue again. He had viewed the evacuation as a sort of a prolonged vacation, expecting that he could again resume business as before. Actual property losses were thus avoided at the time of evacuation but there would be continued losses measured by depreciation and deterioration of his equipment and store, and taxes on the property would be payable even though he had vacated.

Accustomed as they have been during their many years of business experience in this country to make their living from the income

from their own private business enterprises, the Japanese merchants and tradesmen as a group are faced with innumerable difficulties in event of relocation to a strange community. Especially is this true of the Issei group which constitute by far the larger number among those who had been in the various types of business. Very few among them are capable of pursuing work in industry or trade as employees. Their knowledge and skill have been developed along lines which were necessary for the carrying of their own shops and stores largely as a result of the circumstances with which they were faced during the past years. Among these were the development of colonies or communities of Japanese people in particular areas and sections. In the cities the opportunities that arose out of trade with such minority racial groups as the Filipinos and Mexicans had been the incentive for many. The economic adjustment that would be required for these Japanese businessmen to earn a living for themselves and their families in event of resettlement to an American community is so drastic as to be a practical deterrant to their relocation. Their advancing age is necessarily another serious handicap, as is also the fact that most of them have wives and children to take care of. Thus, it appears that this group will in the main choose to remain in the relocation centers for the duration, although a large number of them will send their adult sons and daughters out to suitable jobs which they might find acceptable.

ECONOMIC LOSSES OF FARM GROUPS

by Omachi

Of the various occupational groups among the Japanese evacuees, the farm group is by far the largest and most significant. Farm owners, lessees, and managers, together with their family members, had comprised approximately 65 per cent of the evacuee population. Most of them had been engaged in farming activities for 20 to 30 years and their enormous contribution to the agricultural development of California, and to the great increase in land and rental values in certain rural sections of that state are matters of record. The impact of enforced evacuation on these people had disastrous results upon their economic status and the losses which they have suffered and will continue to suffer will amount to hundreds of millions of dollars in the aggregate. The nature of such losses have mainly taken the form of sacrifice of crops, *deterioration*, and damage to improvements, and losses from disposal of farming interests.

In order to minimize losses and to assist evacuees in making arrangements for the disposition or care of their farms, the WCCA in collaboration with the Farm Security Administration, had sought to render needed services. They had set up temporary offices in principal cities in the vicinity of which Japanese had resided and had circularized information about their functions. Every Japanese who had any farming interests of any kind were requested to come in to register for help or to report as to how they had disposed or arranged their affairs. Attempt was made to find

suitable purchasers for the property held by evacuees and to locate tenants and other persons to take over the operation and maintenance of farming interests. Assistance was offered in the drafting of contracts, leases, and deeds. Where operators needed financial assistance in order to take over and carry on the Japanese enterprises, such assistance was given in proper cases.

In practical operation most of the evacuees had found tenants, purchasers, or agents to take over their farming interests through their own efforts and had thereafter gone to the WCCA offices merely to report their case or to have their agreement or arrangement checked over. Thus the WCCA function was merely perfunctory in these cases. In some instances, however, the WCCA was able to render substantial services in the way of finding operators for the evacuees and in granting financial assistance. In many of these cases evacuees had assumed that the WCCA would continue to render assistance or supervision of their farm property, and when it was disbanded and discontinued late in 1942 they had found themselves in an unfortunate predicament as a result of which they had suffered detriment.

Losses are particularly heavy among evacuees of fruit orchards and vineyards by reason of the fact that trees and vines constitute the principal value of their enterprises and require constant care and attention by skilled hands in order to maintain their productive valuation. The Japanese

have after years of experience developed considerable knowledge and skill along this line and it was a practical impossibility to find other operators who could supplant them in any manner approaching the necessary requisite for successful management. Thus, not only have these evacuees suffered heavy losses from their crop, but also losses of far greater proportions from deterioration, damage and loss of their trees and vines.

A striking illustration of losses incurred by fruit farmers is that of the Kishi family of Loomis. About 25 years ago they had acquired a 25 acre fruit orchard and with consistent industry and perserverence they made good profits. About 10 years ago in order to provide sufficient acreage of operation for the parents and their six sons and two daughters, they had purchased a 120 acre orchard for about \$20,000 but had to finance the transaction by incurring a \$15,000 mortgage. Because many of the fruit varieties were unsuitable and unprofitable, most of the trees were cut down and grafted to other varieties. Also additional pasture land was cleared and planted with new trees. Investments were made for buildings, machinery, fertilizer and other improvements. Thus, until about 1940 when the grafted and newly planted trees began to produce, the expenditures for these improvements had exceeded the income from both farms. The depression and low prices prevailing during that time was a handicap which others would have found impossible to overcome if they had to depend upon hired labor. The Kishi's had not only managed to keep their farm during these trying years but also had

been able to make considerable improvements in spite of sacrifices in time and money. In 1940 and 1941 they were able to pay off most of the accrued expenses for improvements. With the constantly increasing production expected from the rejuvenated trees, they were quite confidently expecting that the \$15,000 mortgage and several thousand dollars in accrued interest could be paid off entirely in 1942 and 1943.

Military evacuation for their section was scheduled for the latter part of May, 1942 just when they were about to harvest their largest and most valuable crop of all time. Because of their inability to find any suitable purchasers or tenants they had appointed their fruit shipping company as agent to manage and operate the farms until their return, as did most of the evacuee farmers of that area. The 1942 harvest season from June to August saw that section faced with the greatest labor shortage of all times as about 70 per cent of the farm production had previously been dependent upon Japanese labor and management. Inexperienced workers of all classes including a number of young school children were used at high wages to harvest the crops. Due to inadequate supervision and inefficiency of laborers the expenses of operation ran up out of all proportion to the receipts from the sale of crops so that the net profits were negligible. In addition to their sacrifices in having two of their sons inducted into the U. S. Army, the Kishi's are suffering continuing financial losses estimated at about \$10,000 per

year and also damage and deterioration to their trees, equipment and improvements of an incalculable extent. The years of family labor expended on the farms in anticipation of future profits will in all probability go entirely unrewarded. Just at the stage where they were about to pay off all their indebtedness and become very well established, the evacuation has placed the family in a position where their entire assets are threatened with foreclosure in which event their years of patience and sacrifice will have been in vain. Under such circumstances it is only natural to assume that their morale and faith in the integrity of the United States have suffered a serious relapse.

An illustrative example of losses incurred by evacuee owners of vineyards is that of the Nagata family in the Selma district who owned two farms totalling about 80 acres, most of which was planted with raisin grapes. Having been engaged in farming for more than 20 years they had constantly improved their farm and had accumulated trucks, tractors and other necessary farm tools and equipment. Vines were at the peak of production and net profits from \$8,000 to \$12,000 per year were reasonably expected during the *war* years. The family consisted of five members and most of the necessary work involved in operating the farms was performed by them. Only during the harvest season was it necessary to hire outside help. Being in Zone 2 they did not expect to be evacuated and had therefore

bought many supplies and made investments in various improvements during the first six months of 1942. When in July of 1942 it was announced that their section would also be affected, they had sought to find some suitable person to rent the farms on a share basis. After some time they came in contact with a man who appeared quite convincing about his knowledge of viticulture and his trustworthiness in their dealings. A lease was executed under the provisions of which he was to get 40 per cent of the gross sales for 1942 and 60 per cent thereafter. The remainder was to be paid to the owner but was to be collected by the nearest office of the Federal Land Bank which held mortgages on both farms aggregating approximately \$6,000. Payments of annual installments on the principal, accrued interest and taxes were to be made from the owner's share and the balance deposited to his account and credit. The lease was to run for the duration and had provided that all sales of crops were to be made in the joint name of the owner and tenant. The use of all tools and equipment were granted under the lease so that the lessee need not expend anything aside from operating expenses.

These terms and provisions were typical of the type of arrangements made by most evacuee owners of vineyards in Central California and in spite of higher labor costs, they presented opportunities of a very lucrative nature to the lessees. The prevailing and usual practice among vine-

yardists was to make share-crop arrangements on a 50-50 basis where living quarters and necessary tools and equipment were provided by the owners. The 60-40 share basis was followed where tools and equipment were not provided. As to the 1942 crops all of the pre-harvest care and expense up to August had been taken care of by the evacuees from the Zone 2 areas and therefore, 40 per cent of the gross receipts payable under the lease to the tenant was more than ample to pay for harvest costs, leaving a substantial profit for his time and effort. Under the Nagata lease a further benefit to the tenant was provided in that the owner was to pay for all sweat boxes, paper trays, sulfur, dusting and spraying material.

In the course of operations during the 1942 harvest the tenant had failed to market the crops in the joint names of the parties and there was substantial reason to believe *that he had sold some of the crops* without reporting such sales in his statement. Furthermore, he had made arrangement to sell some of the grapes green without drying them as he was required under Federal regulations. When the federal authorities discovered this in the latter part of November they placed a "freeze" on the crop, requiring that the grapes be dried into raisins. By that time, however, the season was too late for sun-drying on trays in the field and the only method available was dehydration. The expense involved in this process was so high as to reduce the profits materially. Furthermore, the loss of tonnage on the vines by reason of fall rains and

dew was considerable. It is estimated that at least \$2000 in losses was thus incurred.

Steps were taken through trusted representatives, including a neighbor friend and the family lawyer, to avoid similar losses for future years. At first the tenant was adamant and vigorously maintained the position that he had not violated any provisions of the lease and had acted fairly and in good faith. Further investigation by the representatives revealed that the tenant had sold some grapes for cash without accounting for such sales in his statement. With this revelation a compromise adjustment was worked out under which a new lease was executed whereby the tenant was to continue to operate the farms but only under the close supervision of the agent, especially as to the matter of effecting all sales of crops in the joint names of the tenant and the owner or his agent. Because of high prices sufficient profits were made in 1942 and are anticipated in the future to pay for taxes, insurance, and accruing payments of principal and interest on the mortgage indebtedness. However, this will be so only if the vines are properly cared for and prices are high enough to offset rising labor costs. The very fact that the farms must be operated almost entirely by hired labor by a tenant requiring paid supervision necessarily entails considerable expenses attributable to the evacuation program and must be viewed as an economic loss to the family. Such losses

are in addition to losses attributable to mismanagement and misappropriation of funds and may well exceed \$5000 per year.

A sad case which might be considered somewhat out of the ordinary involves Miyamoto, an Issei in his sixties, and his wife and two adult children including a son and daughter in their twenties. Miyamoto had come to this country about 40 years ago and after working as a general laborer until about 1911 when he had purchased an 80 acre farm in the Sacramento area with his accumulated savings. For years he worked industriously clearing land, planting and caring for fruit trees, and making various improvements. He had reaped the benefits from his perseverance during the prosperous years after world war I but during the depression in 1933 he had met difficulties and had to mortgage his farm for \$3000. In 1940 and 1941 he made fair profits which he used in paying off other obligations and in rejuvenating his orchard. Prior to his evacuation in May, 1942, his farm was in fairly good condition and on a verge of realizing good profits out of the prosperous situation arising out of the war economy.

Various negotiations were made towards finding a suitable purchaser or tenant but without success. Finally through the WCCA a party was found with whom an arrangement was entered into whereby the entire farm and the tools and equipment thereon were leased to him upon his assumption of payment

of taxes, principal installments and interest, which amounted in all to only about \$700 per year. It turned out that the man lacked experience in fruit culture and was not suited to the job. After harvesting the 1942 crops in an haphazard manner he had abandoned the premises to take a job in some other occupation. No payments under the terms of the lease were made and no notice of his leave from the farm was given. In December the owner was first apprised of the situation when the mortgagee served him with notice of intended foreclosure for delinquency in the payments of principal and interest.

The solution to the situation was complicated by the fact that there were very few persons who had any interest in farm work as an occupation in that particular area as most persons preferred to go into the numerous high-paying defense jobs in Sacramento, Vallejo, Richmond, etc. The resultant scarcity of farm laborers discouraged those who were interested in farming to make investments of time or money in renting or purchasing farms even though they might have presented good prospects for lucrative profits. Although a conservative estimate of the value of the Miyamoto farm was about \$9,000 a serious problem was confronted as to whether he could save the farm from foreclosure under such circumstances. To do so he was required to raise about \$800 in cash to pay off accrued interest and a portion of the mortgage indebtedness still intact at \$3,000. Even

if he should raise the money he would still have to pay up delinquent taxes and face years of forced absence from his farm with little prospect of realizing sufficient income from the property to make future payments on the mortgage, taxes and other expenses, thus merely temporarily postponing the day when the farm might be eventually lost. Moved by such considerations and the fact that he did not have available funds, Miyamoto decided to suffer foreclosure of his farm and was thus divested of all interest therein. For him this was the disastrous culmination of a farming enterprise with which he had been connected for more than 30 years and was directly attributable to the evacuation program. Not only was he deprived of lucrative profits during the war but had suffered total loss of all of his farming interests.

A case involving losses of an extensive scale by farm lessees is that of three Nisei brothers of the Hamada family previously residing in the Rio Vista section in the rich delta area of the Sacramento Valley. Including their parents and families there are approximately ten members in the family group, six of whom had been engaged as full time workers in the family venture. After having successfully engaged in raising asparagus as their principal crop on 200 acres for more than fifteen years, they had in 1939 obtained a ten-year lease of an additional 650 acres of choice land. They had purchased and assembled a large number of expensive farming tools and equipment and had planted the entire

acreage in asparagus. As this is a perennial crop which requires considerable expense and care and does not yield any crops commercially for several years after planting, the Hamada's had borrowed and otherwise raised more than \$50,000 and invested it in the venture. In 1941 they planted corn between the asparagus rows and fortunately made good profits with which they were able to reduce the indebtedness to about \$20,000. In the spring of 1942 they were looking forward to harvesting their first lush crops of asparagus. They hoped to wipe out their debts entirely and also to make substantial gains since the outlook as to the crops and prices appeared exceptionally good.

Being busily engaged in the care of crops until the very end they had only a few days after the order of evacuation for their section was announced in which to clear up their affairs. Although their lease had seven years to run, they had made an arrangement at the insistence of the owner whereby the lease was terminated and the owner took over the crops as well as all the improvements. The farm machinery and tools were left with the land owner to be cared for and used by him. An oral understanding for payment of rentals for the use of some of the equipment was made. Profits realized over and above all expenses were to be paid to the Hamada's.

Subsequent to evacuation, the land owner had encountered difficulties in obtaining labor to harvest the asparagus crop. A substantial portion of the crops remained

unharvested and he reported that no profits had been realized from the 1942 bumper crop. The asparagus beds were plowed up and the entire acreage was planted to grain crops. Thus, after three years of intensive care and many thousands of dollars expended in the venture, the beds which were in prime condition ready to yield heavy crops for a period of at least five years were destroyed. Any predictions as to what alternative course might have been taken by the Hamada's if they were not evacuated would be a matter of pure speculation. However, there appears much reason to believe that they would have not only made good profits from the 1942 crops but also they would not by any means have plowed up the asparagus beds. The labor shortage would necessarily have affected them but in asparagus cutting it is usual for laborers to prefer to work in prime beds where they can make more money. In view of the excellent condition of their beds, there was every reason to believe that they would certainly have fared better than most growers in the area. A loss to them of \$25,000 or more in net profits, by reason of the evacuation would be considered a conservative estimate.

There were many Japanese who were engaged in business as floriculturists and nurserymen prior to their evacuation and many of them have gained great prominence and success in this field. Although this type of business is generally not considered a farming venture, the dependency and relationship

to soil culture is somewhat similar. A case involving losses of particular significance is that of the Matsumoto family who had been engaged in raising plants, shrubs and flowers for landscape gardening in the Los Angeles area. Matsumoto is an Issei about 45 years of age and has a wife and three minor children. He had started his business about 15 years ago and had made an investment of more than \$40,000 in green houses, heating plants, equipment and supplies all of which he had at the time of his evacuation in May, 1942. These properties were on about three acres of land rented from the owner at \$35.00 per month, and when he had first moved to the place the land had been bare. During the course of his business he had realized good profits but the problem of making a reasonably satisfactory disposition of the business was a most trying one.

Although he had made numerous attempts and had sought out various prospective operators and purchasers, he had been unable to find anyone who was willing to take over the business upon any reasonable terms. Finding no satisfactory alternative and in final desperation he made an arrangement to operate the business through a hired manager who was to receive \$40 per week plus 30% of the net profits for the first 7 months and 50% of the net profits thereafter for the duration of the war. The manager's wife also was to receive a salary of about \$30 per week. An attorney was retained at \$25 per month to have general supervision and to countersign checks under a general power of attorney. An accountant was hired at \$25 per month to make periodic audits.

In the course of the first few months operations under

this expensive and unwieldy arrangement, Matsumoto had been pressed by the manager for operating capital although in ordinary course the income from current business and from accounts receivables turned over into the business should have been sufficient for continued operations. \$600 in cash was loaned by Matsumoto after the requests became incessant. The manager and attorney had obtained further funds by mortgaging some of the equipment and by disposing of others. Some of these sales and mortgages were not reported or accounted for. The audits which were made by the accountant from time to time had been retained either by the manager or by the attorney and were not forwarded to Matsumoto, in spite of repeated requests for them. At no time since evacuation had there been any net profits of any kind reported and he had received nothing after more than a years' operations.

The situation became exasperating and the WRA was called to make an investigation. It was discovered that the business was being badly mismanaged and the property neglected. There was strong suspicion tending towards deliberate falsification of accounts, as well as intent to defraud. Steps were initiated through ^{the WRA} to revoke the power of attorney and to find a new operator. As the business was too involved and there was considerable risk of total loss the WRA had not acted with adequate firmness and dispatch probably because of lack of trained personell in the Los Angeles field office. Impatient at the delay Matsumoto hired an agent to make a thorough investigation and to effect such changes in the business as were necessary to salvage as much from it as possible and to continue its operations on a more favorable basis. This agent found that most of the marketable items of merchandise and supplies had been

missing and presumably sold but no record of these transactions had been kept. More than 60% of the plants and shrubs, some of which were of rare and valuable types, had died from lack of water and care. Some of the equipment were damaged and missing. The manager was promptly removed and the business was rented to a Chinese tenant and lessee believed to be trustworthy. Further data is now being accumulated by the agent towards both civil and criminal prosecutions, if possible, against the former manager and others who might be implicated. Whether there can be any recoupment of losses incurred remains to be seen. Matsumoto, however, has in the course of about one year sustained losses of a very substantial amount, amounting to perhaps \$10,000 or more, attributable to mismanagement and possible defalcations. In addition losses in profits from the business by reason of his absence by évacuation have been and will be quite considerable.

Truck farming on a comparatively small scale had been the source of income for a great many Japanese farmers for many years in the past. This type of work involved constant toil and labor and the perseverance, industry and use of family labor constituted integral factors in the ability of these people to realize profits or at least a fairly good remuneration for their work. A Japanese community engaged entirely in this kind of farming was that of French Camp, an area of about a square mile in which there were more than a hundred Japanese families engaged in raising vegetables on small plots of land ranging from about 5 acres to about 20 acres, with the average acreage being about 10 acres. Carrots were more or less the main crops but tomatoes, onions, parsnips, table beets, strawberries and other crops were planted in rotation the year

around and the bulk of the produce were handled and shipped through a cooperative which I had incorporated in 1940. The Safeway Stores in the Bay Region had purchased a large portion of the vegetables produced and sold through this cooperative.

The Murata family had been engaged in vegetable raising in the French Camp section for years. There were about 6 family members including an aged father over 70 and sons and daughters in the early twenties. They had been renting 10 acres for a long time and in 1941 they made profits (including family labor) of about \$3,000 when onion prices had hit an all time high in prices, and had thereupon purchased the land from the owner. In the late fall of that year they had planted various spring and early summer crops and had put in improvements on the farm. Although they were able to harvest some of the spring crops the bulk of their crops were just ready for harvest in May when all of them were evacuated to the Turlock Assembly Center. It was anticipated that because of good carrot prices they would make good profits in spite of the fact that onion prices were much lower than the previous year. But because of evacuation they had sold the entire crops for \$500 and had rented the farm and the equipment on a cash basis, just sufficient for taxes and depreciation. Had they been able to harvest their crops in May and June they would have realized a net family income comparable to 1941 but as it was the \$500 was far less than sufficient to pay for their time and labor in raising the crops.

Another family in this area, the Nakas, had been operating about 25 acres for some time. The family consisted of a widow and her two sons and a daughter. They had rented bare land and had put

up all the buildings and improvements, such as land levelling, pumping plants and irrigation pipes. They had also accumulated considerable farm machinery and tools. These investments exceeded \$10,000 in value. At the time of evacuation their principal crops consisted of carrots, which appeared to be in very good condition and which were to be harvested in May and June of 1942. Net profits exceeding \$5,000 were reasonably expected. Because of evacuation, however, they had subleased the entire farm and equipment to a Filipino worker who had been with them for a number of years. The arrangement was on a share basis subject to termination upon their return. From the 1942 crops they had only realized about \$1,000 as their share and this amount was not sufficient to cover the depreciation of their equipment and did not compensate them at all as far as their time and labor on the crops prior to evacuation was concerned. Thus the 1942 losses had been approximately \$4,000. Continued losses in deterioration and depreciation of their equipment and improvements during their absence are anticipated.

Economic losses of various families considered as institutions, as heretofore described in illustrated form, have no doubt been a very material factor in the formation of attitudes of loyalty and disloyalty to the United States and its war aims. Many have become so disillusioned that their faith in Uncle Sam have been shattered and even though they have no confirmed or sincere loyalty to Japan they have indicated their disloyalty to the United States by answering the "loyalty" questions of the military registration negatively or have refused to register at all. Were the family as an institution permitted to remain in their former occupations and farms, this

change in attitudes would certainly not have been present, even though their sons might have been inducted into the armed forces and the make-up of the family unit had thereby been materially affected, or their productive capacity thereby handicapped. To recognize this problem in its entirety and to determine the question of loyalties upon due consideration of the circumstances involved is a task which the WRA may not be able to perform without a great many mistakes in individual cases. The present program of segregation calls for a hearing in each case where there is doubt as to whether a negative answer was given because of loyalty to Japan and disloyalty to the United States or because of other reasons. The great majority of those who have been brought in for hearings have been insistent that they do not have any clear idea of the former but have answered in the negative because of the evacuation and its unfairness in singling out the Japanese people and especially the citizens when even enemy aliens of other races were not affected. Whether this reason can be considered sufficiently justifiable is apparently a matter for the hearing boards in each individual case. At any rate the economic phases of the evacuation as constituting a basic condition in the make-up of attitudes in these cases should not be ignored.