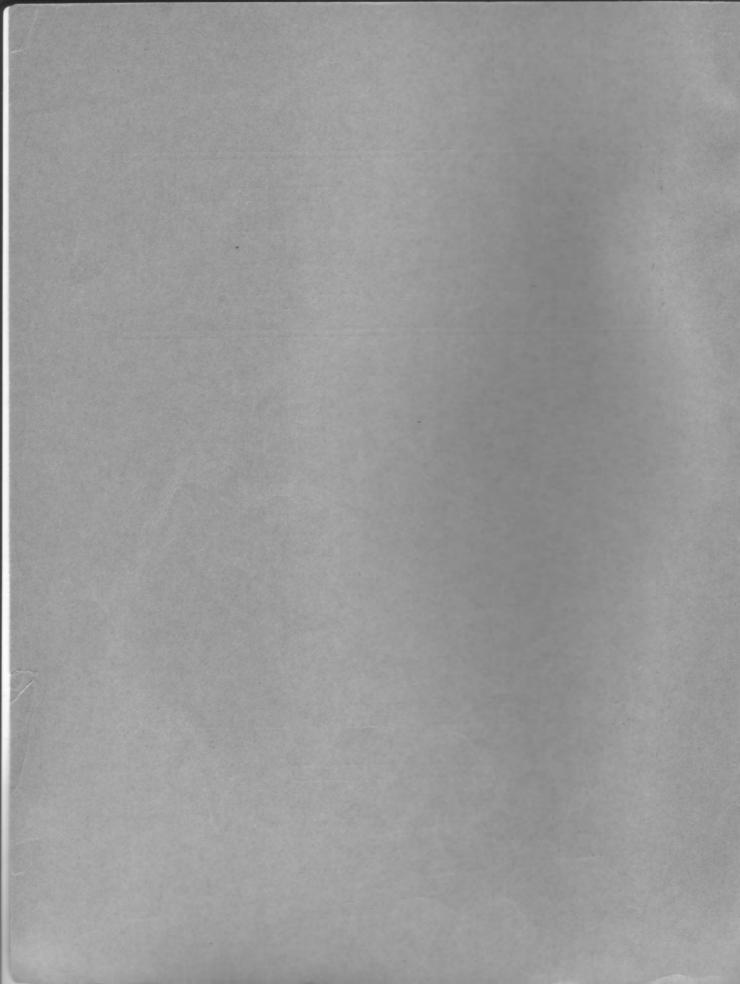
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# The Wartime Handling of Evacuee Property

## UNITED STATES DEPARTMENT OF THE INTERIOR

WAR RELOCATION AUTHORITY



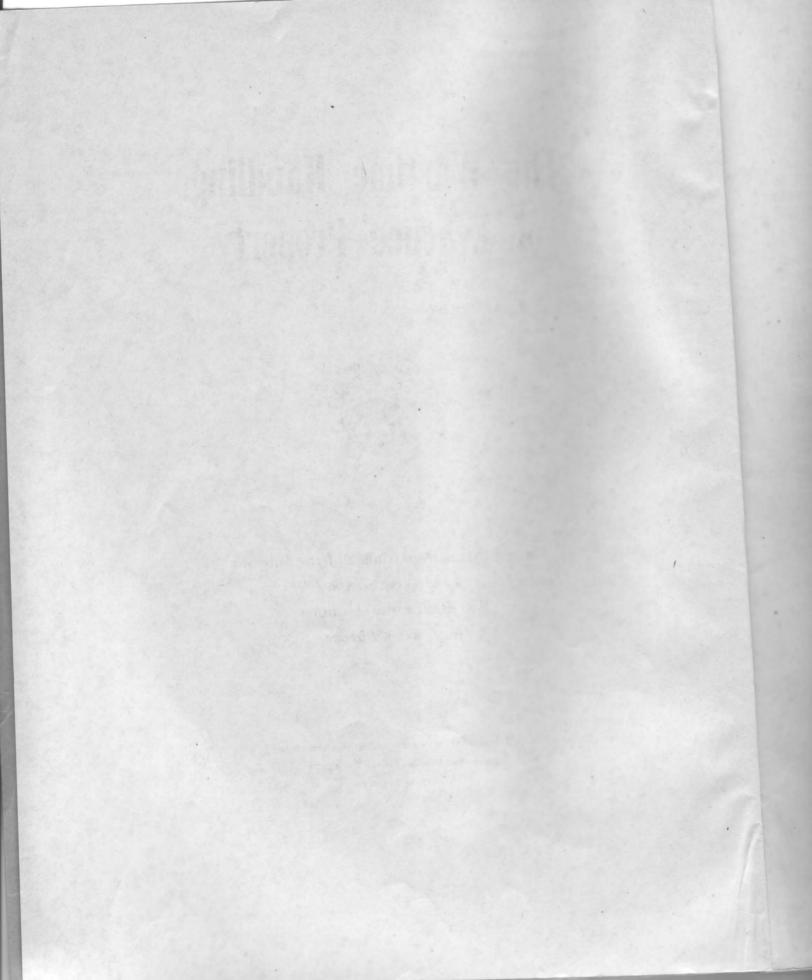
## The Wartime Handling of Evacuee Property



United States Department of the Interior
J. A. Krug, Secretary
War Relocation Authority
D. S. MYER, Director

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## LEGAL PROVISIONS FOR CONTROLLING THE ASSETS OF ENEMY NATIONALS IN TIME OF WAR

The right of a country at war to safeguard its interests by seizing property of enemy nationals has never been open to question. Article I of the Constitution of the United States provides for the exercise of this right by Congress. Section 8 of that article, listing the powers of Congress, includes as the eleventh item the power of Congress "To declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water."

In 1917, six months after the United States had declared war upon Germany. Congress implemented this Constitutional provision with the Trading with the Enemy Act of October 6. While the immediate purpose of the act was the prevention of any utilization of German assets in the United States which might further the German war aims or obstruct our own, it was, as amended, "always regarded as an act of permanent legislation which could be applied in the event that the United States was again involved in war." 1 The act authorized the President and the Alien Property Custodian to seize and control any property in the United States which was owned by, or for the benefit of, a person in an enemy country or a person within the United States who was proclaimed by the President to be an enemy. 2 Section 2(c) of the act authorized the President to include, by means of a proclamation, among "enemies" any resident aliens, thus implying that without special presidential proclamation aliens of enemy nationality are not enemies within the meaning of the Trading with the Enemy Act. Various State courts and the Supreme Court of the United States have taken the position that in the absence of a presidential proclamation to the contrary, legally resident aliens of enemy nationality are not to be considered enemies. 3

On April 10, 1940, because of the Nazi invasion of Norway and Denmark, the President by authority granted by section 5(b) of the Trading with the Enemy Act (dealing with the suspension of economic relations with allies of the enemy) issued Executive Order No. 8389, initiating "freezing" control. This order "prohibited transactions involving Norwegian and Danish property within the United States except as authorized by the Secretary of the Treasury. As other countries were invaded or dominated by the Axis, the Control was successively extended during the summer and fall of 1940 to the assets of the Netherlands, Belgium. France and the Baltic and Balkan States. In June 1941 the Control was extended to Germany and Italy and to the rest of continental Europe. On July 26, 1941, when Japan overran Indo-China, the Control was invoked against Japan. At the same time, freezing control was extended to China at the specific request of Generalissimo Chiang Kai-shek in order to assist China in the control of its economy and in order to prevent Japan from using the occupied areas in China as a loophole for evading the freezing control. " 4

<sup>\*</sup>Prepared by Ruth E. McKee, WRA Historian.

The First War Powers Act, of December 18, 1941-just 10 days after the United States declared war upon Japan -- amended Section 5 (b) of the Trading with the Enemy Act, granting the President "broader authority over all foreign-owned property, including the power to vest such property," 4-a and authorizing him to operate through any agency he might designate. On February 12, 1942, the President addressed to the Secretary of the Treasury a memorandum which transferred to the latter the powers which Sections 3 (a) and 3 (b) of the Trading with the Enemy Act had conferred upon the President. On March 11, 1942, the President signed Executive Order 9095, which created the Office of Alien Property Custodian and delegated to him the powers conferred upon the President by Sections 3 (a) and 5 (b) of the Trading with the Enemy Act, as amended. Executive Order No. 9193, signed July 6, 1942, amended Executive Order No. 9095, spelling out specific policies in regard to the handling of property of persons within countries at war with the United States and property of persons within countries occupied by the enemy. According to one authority, in his article, "Law and Contemporary Problems":

"The powers of supervision, control and vesting of these two types of foreign-owned property are divided between the Alien Property Custodian and the Secretary of the Treasury. While defining in detail the specific powers and duties delegated to each agency the order provides that no person may challenge the validity of any act of either the Alien Property Custodian or Secretary of the Treasury on the grounds that the authority for such act was specifically delegated to the Alien Property Custodian or the Secretary of the Treasury or vice versa."

The Alien Property Custodian, in an Annual Report, said:

"In contrast with the method of handling enemy property that was followed during the last war, a distinction has been drawn this time between two broad classes of property. Cash, and investment securities not involving control over specific productive assets, have been placed within the jurisdiction of the Treasury Department. Other types of property, particularly productive assets, which must not only be kept from the enemy but which also must be positively controlled if they are to continue as parts of our economic system, have been placed under jurisdiction of the Office of Alien Property Custodian.

"Property with which the Office deals falls into five main groups:

- 1. Business enterprises.
- 2. Patents, trade-marks, and copyrights.
- 3. Real and Personal Property.
- 4. Ships.5. Property in process of judicial administration. "6

The first obligation of the Alien Property Custodian, the identification of foreign property interests within the United States, was considerably simplified by the fact that the Treasury Department had taken a census of foreign-owned property as a defense measure prior to the opening of hostilities with the Axis powers. 5-a

"In terms of ownership, the manufacturing enterprises, patents, and miscellaneous properties were predominantly German, the trading companies, banks, and insurance companies mostly Japanese."6-a

#### PROPERTY PROBLEMS CREATED BY THE EVACUATION OF JAPANESE AMERICANS

The foregoing has described the provisions of the United States Government for waging economic warfare and protecting the interests of the United States in wartime. Before the war was long underway another property problem demanded Federal attention and laid obligations upon the government to protect the property interests of a special class of its own citizens and their alien parents, whom no presidential proclamation at any time throughout the war designated as enemies within the meaning of the Trading with the Enemy Act. These citizens were the Americans of Japanese ancestry, who were excluded by military order from their homes and sources of livelihood on the Pacific Coast.

For roughly two and one-half years, more than 100,000 people were exiled from their homes. After January 2, 1945, the majority of them were permitted to return to the West Coast and pick up the raveled ends of the life they knew before the forced evacuation. December of 1945 found the last of the War Relocation Authority's Relocation Centers closed and the population of Tule Lake, the segregation center, rapidly dwindling. At the close of the year it was estimated that half of the evacuees had returned to the West Coast. The remainder have been scattered throughout the country or, in the case of the thousands in the Armed Forces of the United States, are serving with the Army of Occupation in Europe or Asia. It is too early yet for any sort of final estimate to be made of actual financial and property losses sustained by the Japanese Americans because of the enforced evacuation, but it is recognized that their losses have been heavy. Some lost everything they had; many lost most of what they had.

It is desirable to consider the factors which combined to make a considerable loss inevitable.

First of all, under stress of wartime fears and hatred, the prevailing sentiment of the West Coast population was opposed to any recognition of the rights and privileges of this little known and habitually misrepresented minority that was racially associated with the enemy across the Pacific. Second, with the evacuation a foregone conclusion, the Federal Government was slow to set up machinery for safeguarding the property of the people who were to be evacuated, thus allowing an interval of golden opportunity to swindlers and tricksters who had a terrified group of people at their mercy.

Third, when Federal provisions were made for assisting evacuees with unsolved property problems, they were inadequate to prevent initial loss or steadily mounting loss to the absentee owners during the period when the Exclusion Orders remained in force.

Fourth, responsibility for safeguarding evacuee property bounced from agency to agency, finally coming to rest in the War Relocation Authority after evacuation was an accomplished fact, well after the period when strong measures might have prevented much hardship. In August of 1942, after the evacuation had been accomplished, the War Relocation Authority had transferred to it not only the responsibility for evacuee property protection but also all the problems which had developed in the period when two other agencies had shared the responsibility. WRA was handicapped at the start by the necessity to finish work begun by other agencies operating under different policies.

Fifth, most of the local and state law enforcement authorities of the West Coast, throughout the years of the exclusion and to a great extent for some time after the Exclusion Order was rescinded, have shown a considerable indifference to vandalism and even to arson committed upon evacuee property and have put up effective passive resistance to requests to conduct investigations which might lead to arrest and prosecution of offenders.

Sixth, the Western Defense Command, after ordering and conducting the evacuation, took no direct responsibility for safeguarding physically the property which the evacuees were obliged to leave behind them, although that responsibility was very clearly assigned to the Western Defense Command in a memorandum of February 20, 1942, addressed by Assistant Secretary of War McCloy to Lt. General DeWitt.

These factors have contributed heavily to the failure of the Government's attempts to protect the property of the evacuated Japanese Americans and have made the wartime handling of evacuee property a sorry part of the war record. Whether it is possible for the Federal government to prevent heavy property loss to any group of persons excluded with emotion and in time of war from the region which contains their property is highly problematical. Whether the evacuees will receive remuneration for losses depends upon the will of Congress to acknowledge Federal responsibility for losses sustained.

#### PRELIMINARIES TO THE MASS EVACUATION OF JAPANESE AMERICANS

In spite of rather conspicuous writing on the wall, the fact of war with Japan came as a shock to the greater part of the American public. For months after the outbreak of hostilities people on the West Coast lived in momentary expectation of attack by the air and sea forces of Japan. Wild rumors of what had happened in Hawaii on December 7 flour-ished and were accepted so whole-heartedly as fact on the West Coast that, when they were officially denied, some months after the attack on Pearl Harbor, little publicity and less attention were given to the official denials, and the majority of the people continued to cherish fantasy as fact.

During the entire period between the 7th of December 1941 and the official announcement of the Western Defense Command that all people of Japanese ancestry would be excluded from the coastal area—March 2, 1942—the Japanese American population was suffering the effects of a severe war of nerves. Rumors were rife, crowding radio programs and the news sheets, flying from person to person. The West Coast was zealous to get rid of everyone with a drop of Japanese blood in his veins, and to do it in a hurry, but such practical details as what should be done with more than 100,000 displaced people and the responsibility of a non-fascist government to a dispossessed segment of its population were not being very realistically considered in the early part of 1942.

The attack on Pearl Harbor having occurred on a Sunday, and the Government having frozen bank accounts of all enemy nationals at once, the heads of the resident Japanese families were stranded with whatever cash they had in their pockets or homes over that week end. Business establishments of the Issei—and the vast majority of the Nisei were too young to have business establishments—were closed on government order and put under armed guard. Many Issei and Nisei workers in Caucasian homes or businesses were promptly discharged by panicky employers. Many people of good will and ordinary sense were so confused by the suddenness of war and so unaware of the meaning and jurisdiction of the Trading with the Enemy Act that they were afraid to buy a bunch of carrots from a Nisei vegetable man for fear of making themselves liable to prosecution.

Many alien fathers of families were picked up by the FBI and taken away, some of them to be detained for months pending hearings, some to be interned for an indefinite period, leaving their families in want. With the press and radio commentators and politicians clamoring for the removal of all Japanese, with some officials of the Federal Government promising tacitly that the removal would be accomplished and others promising that it would not, and with Nisei soldiers being discharged without explanation by many commanding officers, there was every condition favoring mass panic on the part of the Japanese Americans. The utter insecurity of their position, their bewilderment, their frequent lack of money to buy food, all conspired to make them the victims of bargain hunters.

On January 29, 1942 the Attorney General, acting upon recommendations made by General DeWitt, began designating prohibited zones, small areas which surrounded electrical plants, dams, or other vital installations. These areas were known as "spots." In the course of a few days, 99 such spots were designated as prohibited zones for aliens of enemy nationality. The largest of the spots were along the water fronts of San Francisco, San Diego and Wilmington. The last named included Terminal Island, the Japanese fishing village. During the first few days of February the FBI gave special attention to Terminal Island, removing three hundred or more of the alien fishermen in dawn raids. When the prohibited spots were posted, the deadline for evacuation by aliens was given as February 15 except for a few of the larger and last designated areas, conspicuously a 40-square-mile area which embraced a goodly portion of Los Angeles City and County. These exceptions were to be cleared by February 24.

At that time it was considered sufficient if the aliens simply left the prohibited spots. Those who had friends or relatives over the line moved in with them, but many were without any place to go and were by this time destitute. A study of any West Coast city newspaper for the month of February 1942 reveals the general confusion that prevailed at that period, the conflicting ideas and recommendations that were geysering from various civic and official groups, and how little action of a constructive or practical kind was being taken to remedy a bad situation.

Destitution among Japanese American families had been increasing steadily with the frequent FBI raids and removal of alien family heads. With the announcement of clearance of prohibited spots, second-hand dealers and thrifty housewives began to work on a terrified segment of the population to sell anything of value for far less than it was worth. Verbal assurances of the Government's intention to help the destitute were made through the press, but substantial losses had been sustained before actual machinery for giving assistance was set up, and extraordinary hardships were experienced by the Japanese Americans because of the failure of the Government to make specific arrangements for shelter and care for the dispossessed who could not finance their own removal and subsequently because of the failure of the Government to publicize adequately such provisions as were made.

A consideration of the items which appeared in the Los Angeles Times during February 1942 on the subject of resident Japanese and their citizen children conveys some idea of the confusion surrounding the issue and of the complete sense of insecurity such confusion inevitably inflicted upon the Japanese Americans.

What comfort the Japanese American population might have drawn from Attorney General Biddle's nation wide broadcast over CBS on the eve of the alien registration carried on in the first week of February must have been wiped out by an editorial appearing in the same issue of the

Times that reported the Attorney General's message. The Attorney General warned the nation against persecution of aliens, promising that the Department of Justice would "continue to be on the alert in protecting the internal security of our country," concluding: "I want to point out that the persecution of aliens—economic or social—can be a two-edged sword. Such persecution can easily drive people, now loyal to us, into fifth column activities." 8-c The editorial, titled "The Question of Japanese-Americans," by W. H. Anderson, warned in a different vein:

"A viper is nonetheless a viper wherever the egg is hatched. A leopard's spots are the same and its disposition is the same wherever it is whelped.

"So a Japanese-American, born of Japanese parents, nurtured upon Japanese traditions, living in a transplanted Japanese atmosphere and thoroughly inoculated with Japanese thoughts, Japanese ideas and Japanese ideals, notwithstanding his nominal brand of accidental citizenship, almost inevitably and with the rarest of exceptions grows up to be a Japanese, not an American, in his thoughts, in his ideas and in his ideals, and himself is a potential and menacing, if not an actual, danger to our country unless properly supervised, controlled, and, as it were, hamstrung." 8-d

The next day's issue of the Times was virtually an all-Japanese number, with the front page reporting in detail the first of a new series of FBI dawn raids upon Terminal Island and also the fact that the Los Angeles County Defense Council was urging internment of "all dual citizens"\* and recommending that interned Japanese should be put in temporary camps in Antelope Valley. 8-g

The Washington correspondent of the paper reported that the West-Coast Congressmen were pressuring for mass evacuation. The California State Attorney General, Earl Warren was forwarding to Washington the request of California law enforcement officers for immediate removal of all alien Japanese within 200 miles of the Pacific Coast for the duration of the war, and he was launching a campaign to seize the land purchased by Japanese aliens for their citizen children, by escheat

<sup>\*</sup> The Defense Council was doubtless unaware that internment of "all dual citizens" would have pretty well depopulated the coastal states.

proceedings. 8-i\*\*Side by side with the report on the State attorney-general's conference with district attorneys and sheriffs, was a report of another meeting from which the Governor of California emerged to state that he and his conferees hoped to "avoid the extreme action of removing all adult Japanese to and concentrating them in the interior of the United States for the duration of the war." 8-j

From day to day the papers carried conflicting reports and rumors and proposals for dealing with the Japanese Americans. Some officials were promising that there would be no mass evacuation; others were promising that a mass evacuation was imminent. Senator Downey of California delivered a nation—wide broadcast defending the policy of the Department of Justice in regard to the Japanese problem on the Pacific Coast; Representative Costello of Hollywood took issue with the Senator's contentions. The fanciful and garbled conclusions of the Dies Committee's then unpublished "Yellow Paper" were released to the press and presented sensationally to a public that was already inclined to see a Black Dragon behind every grass blade.

<sup>\*\*</sup> In the 'Twenties California had known an epidemic of suits brought against Japanese farmers at the instigation of Attorney General U. S. Webb, author and sponsor of the restrictive statutes. Many Japanese who had purchased land for their citizen children, vesting title in these children, lost their farms by escheat proceedings. However, in 1928 the Superior Court of Sonoma County ruled in the Fujita case: "Children born in California of Japanese parentage are citizens of the United States and of California, and are entitled to the same rights of property, real and personal, as other citizens, irrespective of their racial descent; a Japanese father though incompetent himself to acquire real property may furnish money in good faith for the purchase of real property for his minor children, who are citizens of the United States; minor children have the same right to acquire real property as adults, and if a gift of real property is made by deed to minors, delivery and acceptance will be presumed: Japanese aliens are entitled to the possession of real property for residential and commercial purposes under Article 1 of the Treaty of 1911 between the United States and Japan: a Japanese alien parent otherwise competent is entitled to be appointed guardian of the person and estate of his citizen child and the citizen child has the right to have his alien Japanese parent appointed as such guardian." The enthusiasm of the State attorney general for escheat proceedings was dampened by this decision and other supporting ones, and until war with Japan occurred, little more was heard about fraudulent ownership of farm lands by Japanese.9

The Times of February 7 headlined General DeWitt's sabotage alert order.

"\* \* \* Army spokesmen said the sabotage alert was Statewide, but would not elaborate on reasons for the warning. They said, however, it did not concern an air-raid possibility.

"The alert came after Tom C. Clark, alien control administrator in San Francisco, announced that between 200 and 300 citizens of Japan, Germany and Italy will receive written notices by next Monday to leave prohibited areas.

"He said other groups totaling 10,000 in California and including 1,800 in the Los Angeles area must obey the Federal ouster order by February 24. Clark said that while it was not intended to impose additional evacuations from agricultural areas after February 24, the Army is resurveying city territory, indicating possible further movement from those zones.

"The notices the aliens will receive through the mail will instruct them to go to the Social Security Board offices in their communities. They will be given information and access to attorneys to learn their civil rights, if they desire, and will receive funds if they cannot finance their enforced moves.

"Efforts will be made to get them jobs in the interior—perhaps in Utah, Clark said.

"Possibilities of detaining alien and other dangerous Japanese in the County's string of mountain road camps and the jail honor farm at Castaic were explored yesterday by Supervisor Roger Jessup and Sheriff Biscailuz." 8-W /The idea of using the jail honor farm, it was explained, could not be developed unless the Army would accept all the current honor system prisoners for service, thus vacating the honor farm.

A continuation of the front page story, found on an inner page is the first sign of public awareness of the fact that the Japanese residents were being victimized:

"Determined to halt asserted racketeering by junkmen and secondhand furniture dealers upon the confused and panicky families of alien Japanese seized by the Federal Bureau of Investigation at Fish Harbor, Captain Basil Starkey of the San Pedro police division assigned a detail of five men to the Terminal Island area.

(9)

"Starkey quoted K. Higashi, president of the Japanese-American Citizens' League, as complaining junkmen, and used furniture dealers were telling wives of arrested aliens that the Federal government intended to seize their household belongings.

"Through this technique they were buying refrigerators,, radios, stoves and other furniture costing from \$50 to \$200 for from \$4 to \$5, loading their purchases on their trucks and driving away, Higashi complained.

"The police were instructed to aid Higashi in warning his people not to sacrifice their belongings.

"Higashi was aiding Y. Sakamoto, head of the Southern California Japanese Fishermen's Association, to register aliens at the local postoffices. They also were attempting to prevent hunger or destitution among families of aliens now in custody.

"Sakamoto said he was obtaining power of attorney from alien owners of jigboats to permit their sale to provide funds to support the fishermen's families pending receipt of Federal aid. About 45 of the small fishing boats are involved." 8-W

The Terminal Islanders as a group were perhaps more thoroughly victimized than was any other group of Japanese Americans. Terminal Island began to develop as a fishing village in 1901. After 1907 it's population was enlarged only by parents, wives, and children of the fishermen. These immediate family members of resident fishermen were allowed passports to the United States under the provisions of the Gentlemen's Agreement. By 1917 Terminal Island had reached its maximum development. By 1942 the aliens of the colony had been in the United States for a long time. 13 Suddenly, with the outbreak of war, they and their only means of livelihood were suspect. Hundreds of the immigrant generation men were snatched from their families and taken away by the FBI. The aliens left behind were not permitted to operate their boats, and since most of the boats were operated by the cooperative labor of fathers and sons, with the fathers' presence and superior skill essential, the citizen sons were unable to continue fishing and all means of livelihood ceased. Unable to ply the only craft they knew, these people read or heard one half-fledged plan after another for the disposal of the Japanese population. It became increasingly certain that they were going to have to leave their homes, but where they were to go remained an unsolved problem for large numbers of them. There was every reason for them to be bewildered.

On Tuesday, February 10, 1942, posters were put up on Terminal Island by Department of Justice order, warning all aliens that the dead-line for their departure from the island was the following Monday, February 16. However, on February 11, without warning, a presidential order transferred Terminal Island to the jurisdiction of the Navy, and Secretary Knox instructed Rear Admiral R. S. Holmes, Commandant of the 11th Naval District in San Diego to notify all residents of Terminal Island that their dwellings would be condemned and that they would be evicted within 30 days. 8-y This arrangement cancelled the order of the Department of Justice, and on the face of the matter it seemed to constitute a reprieve of eviction sentence. Before a week had passed, the residents of Terminal Island were ordered to be out within 48 hours of notification.

The Terminal Islanders suffered special confusion and handicap because of the changes in jurisdiction, changes in instructions, and the omission of individual mail notices of eviction which aliens living within the areas designated by Justice as prohibited spots received. These individual notices instructed the recipient to go to his local Social Security Board—and gave him the address of the office—where he might avail himself of further instructions and such assistance as he needed and could be provided by the Government.

The Federal Government, using Tom Clark as coordinator, had arranged with the Social Security Board that the latter would loan to the Department of Justice, personnel from the Bureau of Public Assistance to register and assist aliens affected by the designation of spots prohibited to aliens of enemy nationality. These people functioned in the USES offices within each country, theoretically at the same time that the Department of Justice was conducting alien registration at the post offices, from February 2 to 9. The Los Angeles office, however, did not open until February 9.

By authority of the Alien Registration Act of 1940, all aliens 14 years of age or over, whatever their country of origin, had been registered in that year. The 1942 registration was confined to aliens of enemy nationality, and it was conducted under authority conferred by Presidential Proclamation No. 2537 issued January 14, 1942. Each enemy alien who was 14 years of age or older was again required to fill out a questionnaire, to provide photographs, and to be fingerprinted.

Aliens required by Department of Justice orders to move out of a prohibited spot were told that they could get assistance from the Social Security Board, but no pressure was put upon them to go to these offices set up within USES offices. When an alien went to his local Social Security Board, he was asked to show his registration card, and if he could not produce one, he was sent at once to the post office and told to return with his card. The Social Security Boards registered all aliens

who called with a view to determining who needed assistance and what kind of assistance. These boards were provided with a special fund and with authority to provide vans for moving possessions, to make small cash grants and to provide grocery orders on request. According to reports of those who worked on this program, comparatively few requests for assistance were made by Japanese aliens. In the majority of cases, during this phase of exclusion movements, only the alien members of a family left the prohibited zone. In many instances the father of a family was alien and the mother a citizen, in which case only the father moved across the line. In other instances, both parents might be alien, but if one of the citizen children was old enough to take over the home and business, the children would stay and the parents would move out. In general, only in cases where both parents were alien and the children too young to be left alone did the entire family move. The Social Security offices functioned for the benefit of Japanese, German and Italian aliens up to February 19, when Executive Order No. 9066 was approved. After that they confined their attentions to the Japanese; no more Germans or Italians were moved out. With General DeWitt's Proclamation No. 1, of March 2, 1942, Department of Justice orders were cancelled in favor of arrangements devised by the Commanding General of the Western Defense Command. During the period of March 2 to March 29, Japanese aliens who had been evicted under Department of Justice orders were legally in a position to return to their homes, if they had chosen to do so-until the military moved all persons of Japanese ancestry into assembly centers some weeks later.

To return to the plight of the Terminal Islanders, on 48 hours' notice and without any direct information on where they might turn for help from the Government, the Japanese residents, citizen as well as alien, aged and infant, had to leave. Certain church groups, the American Friends Service Committee, and a group known as Friends of the American Way—organized in Pasadena to oppose persecution of the Japanese Americans—went to work to help the uprooted people.

A large building at 506 North Evergreen Street in the Boyle Heights district of Los Angeles was converted into a temporary hostel. Previously the building had housed a language school and had served as a community center for the Japanese residents of the neighborhood. In emergency it could shelter 600 people. As need arose with the clearance of "spots," churches and other language schools were converted to use as hostels-at Compton, Saratoga, Norwalk, Blue Hills and El Monte. However, the castouts from Terminal Island found haven, for the most part, in the Forsyth Hostel in Boyle Heights. The friendly groups worked at high speed, begging, borrowing and renting delivery and farm trucks to carry families and such of their possessions as had not fallen into the hands of junk dealers to the hostel or to relatives or friends with room to accommodate the homeless outside the prohibited area. Time was short, and in spite of the efforts and good will of the helpers, much property had to be abandoned because there was not time to load it onto the trucks and get it off the island within that 48-hour period allowed.

#### ESTABLISHMENT OF PROCEDURES FOR PROTECTING EVACUEE PROPERTY

Formal procedures for protecting evacuee property and the rights of the owners were slow in being established. General DeWitt in his recommendations of February 14 to the Secretary of War included as a final item:

"Pending further and detailed study of the problem, it is further recommended: (1) That the Commanding General, Western Defense Command and Fourth Army, coordinate with the local and State authorities, in order to facilitate the temporary physical protection by them of the property of evacuees not taken with them; (2) That the Commanding General, Western Defense Command and Fourth Army, determine the quantity and character of property which the adult males \* \* \* may be permitted to take with them; and (3) That the Treasury Department or other proper Federal agency be responsible for the conservation, liquidation, and proper disposition of the property of evacuees if it cannot be cared for through the usual and normal channels." 7

On February 19, 1942, acting on the recommendations of the West Coast Delegation and his Cabinet members, the President of the United States, invoking the extraordinary powers granted the Chief Executive in time of war, signed Executive Order No. 9066, authorizing the Secretary of War to prescribe military areas. The first two paragraphs of the order set forth its justification and particular purpose:

"WHEREAS, The successful prosecution of the war requires every possible protection against espionage and against sabotage to national-defense material, national-defense premises and national-defense utilities \* \* \*

"NOW THEREFORE. By virtue of the authority vested in me as President of the United States, and Commander in Chief of the Army and Navy, I hereby authorize and direct the Secretary of War, and the Military Commanders whom he may from time to time designate, 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, from which any or all persons may be excluded, and with respect to which, the right of any person to enter, remain in, or leave shall be subject to whatever restriction the Secretary of War or the appropriate Military Commander may impose in his discretion. The Secretary of War is hereby authorized to provide for residents of any such area who are excluded therefrom, such transportation, food, shelter, and other accommodations as may be necessary in the judgment

of the Secretary of War, or the said Military Commander, and until other arrangements are made, to accomplish the purpose of this order. The designation of military areas in any region or locality shall supersede designations of prohibited and restricted areas by the Attorney General under the Proclamations of December 7 and 8, 1941, and shall supersede the responsibility and authority of the Attorney General under the said Proclamations in respect of such prohibited and restricted areas."

In authorizing the Military to exclude "any or all persons" whom the Military might see fit to designate from home and source of livelihood, the Chief Executive was giving the military power over civilian life that was unprecedented in the United States except under conditions of martial law; also he was incurring an obligation on the part of the Federal Government to protect the property rights of such persons as should be excluded by military order.

Assistant Secretary of War McCloy under whose supervision Executive Order No. 9066 had been drafted immediately upon his return to Washington from West Coast conferences with the Commanding General of the Western Defense Command, did not include in that document any instruction as regards the protection of evacuee property. However, in a memorandum which the Assistant Secretary forwarded to Lt. General DeWitt on February 20, 1942, a memorandum containing recommendations based on the Assistant Secretary's survey of the West Coast situation, Mr. McCloy stressed the necessity of safeguarding the property of evacuated persons:

"It will, of course, be necessary that your plans include provision for protection of the property, particularly the physical property, of evacuees. All reasonable measures should be taken through publicity and other means, to encourage evacuees to take steps to protect their own property. When evacuees are unable to do this prior to the time when it is necessary for them to comply with the exclusion orders, there is always danger that unscrupulous persons will take undue advantage or that physical property unavoidably left behind will be pillaged by lawless elements. The protection of physical property from theft or other harm is primarily the responsibility of state and local lawenforcement agencies, and you will doubtless call upon them for the maximum assistance in this connection. Where they are unable to protect physical property left behind in military areas, the responsibility will be yours, to provide reasonable protection, either through the use of troops or through other appropriate measures.\* The appointment by you

<sup>\*</sup> Italics not in original.

of a property custodian and the creation by him of an organization to deal with such property in military areas may become necessary. The provisions of the Executive Order and the necessity in each given instance are such that you have authority to take such action, either directly or through another federal agency. In the development of your program, it is desired that you accomplish it with the minimum of individual hardship and dislocation of business and industries consistent with safety." 7-a

It was certain, after February 19, 1942, that a mass evacuation of the people of Japanese ancestry from the West Coast would take place. On March 2, General DeWitt issued Public Proclamation No. 1, in which he designated Military Area No. 1, consisting of the western halves of the Pacific Coast States and the southern portion of Arizona, and Military Area No. 2, consisting of the remaining part of those States. He followed the proclamation with a press release in which he stated that the Japanese nationals and all persons of Japanese descent would be the first to go and in which he advised all persons of Japanese ancestry to go voluntarily. It was also announced at this time that clearance of Military Area No. 2 was not anticipated. The delay in setting up any procedures for safeguarding the property of the excluded people is emphasized by the following passage contained in General DeWitt's final-report:

"Between March 2 and March 10, 1942, the discussions as to evacuation procedures were general in nature and specific planning had not emerged. The voluntary movement did not gain momentum because means had not been provided on the ground for aiding evacuees in the solution of personal problems incident to their voluntary exodus.

"Prior to March 10 the General Staff of the Western
Defense Command and Fourth Army had not engaged in any
extensive planning or preparation for the program. The
tactical duties imposed upon it were such that it was
unable to do so and at the same time meet the responsibilities imposed on the Headquarters by the essentially
military aspects of its mission. Accordingly, on March 10,
by General Order No. 34, the Commanding General established
the Civil Affairs Division as an addition to his general
staff. On the day following, by General Order No. 35, he
created the Wartime Civil Control Administration, an operating
agency of his Command to carry out assigned missions involving
civil control." 7-b

A little further along the report states:

"As an initial step in the facilitation of voluntary emigration, 48 Wartime Civil Control Administration offices were established, one in each important center of Japanese population in the affected area. These offices were staffed by representatives of the cooperating Federal agencies which had agreed to undertake certain specific responsibilities in the program. The Federal Reserve Bank and the Farm Security Administration had undertaken to provide property protection, under the direction of the Wartime Civil Control Administration -- the former, primarily as to business and personal property: the latter primarily respecting agricultural property. The Federal Security Agency, through its various associated agencies, had agreed to provide necessary social services. The 48 Wartime Civil Control Administration offices (which became known as 'Wartime Civil Control Administration Service Centers!) \* were staffed by a team with one or more representatives from each of these agencies." 7-c

Responsible citizens and some officials had been concerned about the lack of provisions for safeguarding property of the people selected for evacuation. The Fourth Interim Report of the Tolan Committee on its Findings and Recommendations on Evacuation of Enemy Aliens and Others from Prohibited Military Zones, May 1942, was emphatic in its criticism of this lack.

"Witness after witness, appearing before the committee, deplored the fact that no provision was being made for protecting the property of the persons who had already been, or were about to be evacuated. Evidence that there were numerous instances of sales of personal property at great sacrifice appear throughout the record. In addition to the unanimous demand for appointment of some agency with authority to take custody of property, both personal and agricultural, suggestions were made that other minor but important details, such as tax deferments and mortgage moratoriums should be given serious consideration." 14

The report refers to and quotes from the testimony of ministers, lawyers, the regional director of the Social Security Board, the regional director of the Farm Security Administration, State attorney generals, welfare workers, educators, and representatives of benevolent

<sup>\*</sup> The average busy person referred to them more simply as "Control Stations." (16)

societies, pointing to specific instances of widespread preying upon a frightened segment of the population. It quotes at length from the testimony of Carey McWilliams, then chief of the division of immigration and housing, California Department of Industrial Relations, given in Los Angeles in early March—the hearings took place from February 21 through March 12, at San Francisco, Los Angeles, Portland and Seattle.

"There is ample evidence that social and economic vultures are already preying upon the unfortunate aliens who expect to be evacuated. They are told to dispose of their property and are frequently offered ridiculous sums which in panic and desperation the evacuees are inclined to accept. Stories are also being circulated which indicate that unless great care is exercised, and that immediately, we shall have a repetition here of what transpired in Germany and in other countries as the result of large-scale evacuation. People have been threatened that unless they dispose of their property to those who are eager for it, they will be reported to the Federal Bureau of Investigation and their property will be confiscated. In the absence of a statement from high Government authorities to the contrary, the aliens who are at the mercy of rumors and rumor mongers have no choice but to accept what they are told at the moment. The immediate creation of an Alien Property Conservator or a bureau for its conservation, with an immediate announcement that transactions under duress will not be recognized and that the interests and property of aliens will be protected in every way, would not only give the unfortunate victims a sense of needed relief, but make them feel that they are living in a country where human dignity and human values are more than mere phrases mouthed by politicians. It is absolutely essential that the problem of alien property conservation be handled as an integral part of the entire program. In other words, alien property conservation should constitute a function of the authority proposed, and should not be handled in an unrelated and uncoordinated manner.

"Also a moment's reflection will suffice to indicate that there are literally hundreds of minor but important problems involved, such as the possible necessity for working out ways and means to defer payment of taxes and contractual obligations. All of these problems should be centralized in the Authority, because of their intimate connection with the problem of welfare, maintenance, property conservation, preservation of morale, etc.

\*\*\*\*\*\*\*\*\*

"The foregoing program will, no doubt, require modification from time to time as the situation develops. But if put into execution promptly with scrutinizing attention to the selection of personnel and the elimination of the usual interdepartmental difficulties and jurisdictional conflicts it would, I am confident, meet all the requirements set for it. It would above all demonstrate that democracy can work efficiently, effectively, and with that consideration for the welfare of the people who brought it into being, which differentiates it from autocracy and makes it worthy of any sacrifice." 14-a

The committee at the close of the first hearings—in San Francisco—had sent a telegram to Speaker Rayburn, the President, the Secretary of the Treasury, the Attorney General, and the Secretary of War.

"We urge the immediate establishment of a regional alienproperty custodian office for the Pacific coast area. We have learned of numerous sacrifice sales by aliens; this office should have existed before the evacuation of February 15. It must be functioning before additional prohibited areas are evacuated. Many witnesses before this committee have urged this action.

"Citizens who may be evacuated will require similar protection for their property, and legislation may be needed to set up such custodianship.

"It is our impression that the need for an alien property custodian on the coast is but one example of a general need for advance planning for the civilian problems which are accompanying the evacuation of aliens and will accompany any future evacuations. The Army, after designating strategic areas, needs the planned assistance of the civilian agencies of the Federal Government in handling the actual evacuation and in resettling the evacuees. The need for advance planning and coordination of all civilian agencies concerned with evacuation problems exists now." 14-b

The telegram was despatched on February 23. On February 26, the committee received a reply from the Secretary of the Treasury:

"Your telegram of February 23 has been carefully studied by this Department. We are in agreement that there is a general need for careful planning with respect to the resettlement of persons, both aliens and citizens, evacuated from strategic areas and that the problem is

one in which the Federal Government should assume a major responsibility. While the Treasury Department stands ready to handle any problems within its proper sphere of operation. I am sure that you will agree that the problems involved in national defense migration are primarily social problems envisaging the uprooting of a large segment of populations from an area and the transplanting of this group to a new locality. The problem is very similar to that of the Dust Bowl migration or in the resettlement of families moved from submarginal land. As we see it, the same problem would be raised if the Army decided to clear a substantial area of all of its inhabitants in order to use the ground for maneuvers. munitions dump, or a firing range. In any such case the inhabitants of the area on short notice would have to be resettled in new areas, find new employment, and liquidate at forced sale their immovable property. As we see it, vesting title in the United States Government of the property of the groups being resettled would only further complicate an already aggravated social problem. Moreover, as you pointed out in your telegram, the problems are not confined to aliens but undoubtedly will involve United States citizens as well. It is the view of the Treasury Department that the social problems involved in any such resettlement problem should be handled by one or more departments of the Federal Government handling similar social problems or if need be, a new agency created for the purpose of dealing with the problems of national defense migration." 14-b

However, between February 26 and March 5, the Secretary of the Treasury had altered his views to the point of sending the following telegram, bearing the latter date, to the Federal Reserve Bank of San Francisco:

"Suggested program for the Federal Reserve Bank of San Francisco and other public agencies to deal with property of evacuees from Pacific Coast military areas. The success of the proposed program will depend upon placing complete responsibility for its execution in a responsible West Coast agency acting under the general directions of the local military authorities.

#### "I - Scope of Problem:

"The evacuation on short notice of tens of thousands of persons from military areas on the Pacific Coast raises

serious problems in connection with the liquidation of their property holdings and the protection of the property of such persons against fraud, forced sales, and unscrupulous creditors. Obviously the emergency will cause financial loss to the group involved. However, the following program is intended to accord to this group reasonable protection of their property interests consistent with the war effort.

#### "II - Legal Authority:

"Since the program is one basically to assist the evacuee in the liquidation of his property, it is expected that in most instances the evacuee will voluntarily avail himself of the facilities afforded by this program. Government sanctions will be necessary to deal with creditors and others who seek unfair advantages of the evacuees. There is ample legal authority now vested in the military authorities and in the Treasury Department which can be delegated to such West Coast agency to deal with this problem without necessity of obtaining further legislation or new executive orders.

#### "III - Administration of Program:

"The nature and urgency of the situation, coupled with the large volume of transactions that will require prompt handling, necessitates the program's being administered by an agency on the West Coast cloaked with full authority to act without reference to Washington. The over-all control of all aspects of the evacuation must obviously rest in the military authorities. Subject to this over-all control by the Army, the direct responsibility for the execution of the property aspects of the program should be placed in the Federal Reserve Bank of San Francisco, which has branch offices in Los Angeles, Seattle, and Portland. The Federal Reserve Bank will be in a position to obtain the cooperation of other Government agencies and of well-known and experienced individuals and institutions in the various communities throughout the West Coast area. This cooperation, together with the established integrity and ability of the Federal Reserve Bank, will enlist the confidence of all of the affected groups and discourage gouging by creditors or other self-seeking interests. The Federal Reserve Bank will also work in close liaison with the Federal Security Agency, the United States Department of Agriculture, and other Federal, State and local public agencies that can be of assistance in

dealing with the property during the course of its liquidation. These agencies will undoubtedly be called upon by the military authorities to handle other aspects of the evacuation problem, such as the transportation and resettlement of the evacuees, and their re-employment in new areas.

"The Federal Reserve Bank of San Francisco, which is the Fiscal Agent of the Treasury Department, will be clothed with ample authority to execute the program. The Treasury Department will lay down the broad principles and objectives of such programs as well as the general procedure to be followed. The Department will also furnish the San Francisco Bank by airplane with the requisite number of trained experts to assist in working out the details of the program in the field and to participate in its execution. If need be the Department is in a position to provide the San Francisco Federal at once with 100 or more men for this purpose. The keynote of this program is speed. It is believed that it can be put in operation by Monday, March 9, 1942.

#### "IV - Outline of Program:

- "A. Properly staffed offices under the direction of the San Francisco Federal Reserve Bank will be opened at once in the local communities from which evacuees will be moved.
- "B. Announcement will be made throughout the area by the Federal Reserve Bank of San Francisco that its representatives in these offices are prepared to assist evacuees with the problem of liquidating their property and protecting them against those seeking to take unfair advantage of their plight.
- "C. These representatives will assist in putting the evacuees in a position to obtain buyers, lessees, and other users of their property on fair terms. In cases where the evacuee is unable to select his own agent to dispose of his property, the Federal will be prepared to act as agent for the evacuee under a power of attorney or similar arrangement and take steps to liquidate the property on fair terms.

- "D. Evacuees threatened by creditors will be encouraged to come to the representatives of the Federal for advice and guidance. The Federal representatives will also discuss the matter with the creditor with the view to working out a fair settlement and limiting the remedies that may be pursued by the creditor who threatens unfair action. By and large the mere existence of this program of helping evacuees will eliminate or forestall most of the sharp practices that are now feared.
- "E. In some cases the property of the evacuee may be such that its real value can only be realized at a future time, e.g., Japanese novelties. In such cases the bank's representative will assist the evacuee in arranging for the storage of such property if that is the wish of the evacuee.
- "F. On agricultural properties the bank's representative, with the assistance of representatives of the United States Department of Agriculture, will attempt to arrange for the leasing or sale of such property or if need be for the growing of the crops, with a view to preventing their loss through inattention.
- "G. The Federal Reserve Bank of San Francisco and its representatives will be cloaked with adequate authority to cope with the problems arising on the basis of existing circumstances. The program will be flexible and at all times the bank will attempt to keep matters on a voluntary basis, satisfactory to the evacuee. Where these efforts fail it may be necessary for the bank's representatives to step in and take the property over for the purpose of obtaining a fair and reasonable liquidation.

"It is expected that the setting up of this program and the accordance to the evacuee of facilities for the liquidation of their property should greatly expedite the departure on a voluntary basis of the evacuees from the military area." 13

On March 9, the Secretary of the Treasury addressed the Tolan Committee in a telegram which duplicated the one which he had sent to the Reserve Bank of San Francisco on March 5, and which contained these two additional paragraphs:

"This program is being put into effect at the request of the Secretary of War and will be carried out under the general direction of the local military authorities. Full authority has been delegated to the Federal Reserve Bank of San Francisco to carry out such a program.

"I am asking John W. Pehle, assistant to the Secretary, who is in San Francisco for the purpose of helping the Federal Reserve Bank to put this program into effect, to communicate with you and keep you advised as to the progress of the program." 14-c

On March 11, 1942, the President signed Executive Order No. 9095, creating the Office of Alien Property Custodian within the Office for Emergency Management. On the day following the newly appointed Alien Property Custodian, by means of a statement which he issued at a press conference held jointly with the Secretary of the Treasury,

"\* \* \* delegated to the Secretary of the Treasury all power and authority under sections 3 (a) and 5 (b) of the Trading with the Enemy Act, as amended, conferred upon me by the President \* \* \* pending the staffing and organization of the Office of the Alien Property Custodian \* \* \* " 14-c

On March 12, 1942, General DeWitt addressed the Federal Reserve Bank of San Francisco in a letter which contained the authorization and directions of the military authorities:

"\* \* \* I am familiar with the contemplated program dealing with the problem of evacuees and I find that the prompt execution of such a program is essential to the successful prosecution of the war and the performance of my duty under Executive Order No. 9066. Accordingly, I hereby authorize and direct you to take all steps which in your judgment are necessary or desirable in order to carry out the objective of the program.

"You are authorized and requested to employ such personnel and set up such offices within the Western Defense Command as you may consider advisable, necessary or expedient for the purpose of carrying out the program of dealing

with the property interests of said evacuees. You are further authorized to employ such personnel and appoint such sub-agents as you may see fit in connection therewith.

"You will be reimbursed for all necessary and proper expenses incurred in connection with the carrying out of this program. Furthermore, you are directed to perform any and all acts incident to the accomplishment or furtherance of this program and as such you are, of course, entitled to be reimbursed for all necessary and proper expenses and obligations arising out of such agency, for which under law such an agent would be entitled to reimbursement.

"It is understood that in executing the foregoing no warranty of my authority is included nor is any personal liability imposed upon or assumed by the undersigned." 13-a

The Secretary of the Treasury had by telegram on March 7 delegated to the Federal Reserve Bank of San Francisco "Full authority to exercise any and all powers delegated to the Secretary of the Treasury under Section 5 (b) of the Trading with the Enemy Act, as amended by Title III of the First War Powers Act, 1941, together with all other powers vested in me, for the purpose of carrying out this general program." 13-b

Thus authorized, the Federal Reserve Bank of San Francisco established the Evacuee Property Department under the general supervision of a vice president at the head office, and under the direct supervision of an assistant cashier. The San Francisco office opened on March 9, a second principal office opened in Seattle on March 12, and the third and fourth principal offices opened on March 13 in Los Angeles and Portland.13-c Field offices were established as needed at various points in the three coastal States and one in Phoenix to provide services to the Japanese forced to evacuated from the southern third of the State of Arizona. At the peak of operations, in May 1942, 184 persons were employed in the Evacuee Property Department. In addition to its own offices and field offices, the Evacuee Property Department maintained personnel in each of the WCCA control stations that operated during evacuation movements.

March 18, 1942, the president of the Federal Reserve Bank of San Francisco issued Special Regulation No. 1, which provided the authority to "freeze" evacuee property and made provision for a licensing system to effect transactions involving blocked property. 13-d The

president of the bank on the previous day had given a release to the press for publication on the 18th to publicize the freezing power of the bank.

"In order to protect Japanese and other evacuees, the Federal Reserve Bank of San Francisco as Fiscal Agent of the United States, today issued regulations designed to bring about equitable settlements between creditors and West Coast evacuees.

"The new regulations are intended to forestall unfair action by unscrupulous creditors which would be detrimental to the interests of the evacuee and to minimize his losses in connection with the disposition of his property.

"It is anticipated that this will be accomplished to a large extent by direct appeal to the creditors' sense of fair play and the obvious necessity for complete cooperation in the administration of the evacuation program.

"'We want any Japanese or other evacuee who finds that he has difficulty in reaching an equitable settlement with his creditors to come to the nearest office of the Evacuee Property Department of the Federal Reserve Bank. At the bank we can discuss his case and take the necessary steps to protect the evacuee from unjust losses,' William A. Day, President of the Federal Reserve Bank, stated.

"Bank officials warned that the initiative under the new regulations will rest with the evacuee. After the evacuee has attempted to make an equitable settlement with his creditors and has failed, he should go to the nearest office of the Evacuee Property Department of the Federal Reserve Bank and lay all the facts before one of its representatives.\*

"The bank will call in the creditor and hear his side of the case and make every effort to bring about an amicable settlement of the matter. If the creditor is unreasonable and insists on taking unfair advantage of the evacuee, the Federal Reserve Bank may freeze the evacuee property by designating it as Special Blocked Property.

<sup>\*</sup> Italics not in original. The press emphasized the points indicated.

"Following this step the bank will either post a notice on or near the property of the evacuee stating that the property described in the notice is Special Blocked Property, or will notify the person holding or having possession of the property, or persons having an interest in it, that such property is Special Blocked Property. Federal Reserve Bank officials stated that persons dealing with evacuees may assume that their property is not Special Blocked Property unless they are affirmatively on notice to the contrary.

"After the property has been declared Special Blocked Property, any acquisition, disposition, or transfer of that property is subject to a license issued by the Federal Reserve Bank. Applications for such licenses may be filed with the nearest office of the bank.

"Because the bank wishes to protect the evacuee not only in transactions involving real property but also in those involving all kinds of personal property, the regulations make it possible for any kind of property to be designated as Special Blocked Property.

"By these broad provisions the regulations enable the bank to protect the evacuee in such typical transactions as conditional sales, instalment purchases, or any other type of dealing in any kind of property, if the evacuee will first undertake the simple step of petitioning the bank to declare his property Special Blocked Property.

"The bank made clear that it will be on guard for any attempt on the part of evacuees to avoid the payment of reasonable creditors' claims through today's regulations." 13-e

The report of the Federal Reserve Bank on the preformance of its Evacuee Property Department contains the comment:

"Special Regulation No. 1 provided a forceful weapon for discouraging inequitable action on the part of creditors and others dealing with the property of evacuees. Potentialities of this regulation were recognized by creditors and that recognition was an important factor in the settlement of numerous problems which otherwise would have been subject to long dispute. Although the regulation was of immense value, there was no occasion to make direct use of its power." 13-e

The head office of the bank cautioned its field representatives in Instruction Letter No. 2, dated March 19, 1942, that the power was not extended to the field offices, and field representatives could only make recommendations to the head office.13-f Instruction Letter No. 6, dated March 28, warned further:

"The only cases in which the power of freezing control covered by Special Regulation No. 1 will be exercised are those in which it clearly appears either that the evacuation program will be delayed unless the power is exercised or the evacuee is being taken advantage of by reason of the fact that he is or may shortly be under orders to leave the community.

#### \*\*\*\*\*

"Generally speaking, the only cases in which the freezing control, in relation to a situation which might be settled by litigation, would be justified are those in which the rights of the evacuee are clear and, by reason of indigence or the necessity for immediate departure from the community, the evacuee is not able to have his rights determined in our courts of law." 13-g

The Federal Reserve Bank of San Francisco had one more delegation of authority before the end of March. Milton S. Eisenhower, Director of the newly created War Relocation Authority, addressed the Secretary of the Treasury in a letter which included the following:

"I \* \* \* as Director of the War Relocation Authority and to the extent of my authority to do so, delegate to the Treasury Department and its agencies, including the Federal Reserve Bank of San Francisco, the authority vested in me under Executive Order No. 9102 of March 18, 1942, to assist persons removed under such Executive Order No. 9102 or under Executive Order No. 9066 of February 19, 1942, in the management and disposal of their property." 13-h

Business or commercial property and movable property—with the exception of farm machinery which became the responsibility of the Farm Security Administration—were the proper concern of the Federal Reserve Bank. However, "All property problems were handled on a purely voluntary basis and the evacuees were encouraged at all times to make such arrangements as they might desire with respect to their properties."13—i The principal result of this policy was the extreme reluctance of the evacuees to seek assistance of the Federal bank. The great majority of those who did ask help were people who had been unable to make any sort

of arrangement before registration at the control station for entrainment. At the control station, in the course of processing, he was asked pointedly, "Have you disposed of your property?" If the answer were, "No," the representative of the appropriate agency exerted himself to assist the evacuee. The contents of Instruction Letter No. 19, dated April 10, 1942, addressed to field representatives and signed by the vice president of the bank at San Francisco are significant:

"We have every reason to believe that evacuation in remaining areas will be carried forward in a comparatively short time. Experience indicates that the actual evacuation is greatly facilitated when property problems have been satisfactorily adjusted prior to notice of evacuation. We therefore urge that every effort be made to contact potential evacuees in your area to the end that a solution be found to any property problems they may have.

"We wish to reiterate that it is our responsibility to see that such settlements are carried through on an equitable basis. It is not sufficient merely to advise the evacuee to settle his affairs or consult his creditors. You should, in each instance, go sufficiently into the details of the problem to satisfy yourself as to the character of the problem and then follow through until you have definite knowledge that it has reached a satisfactory conclusion.

"We further request that you review your interview files and, in instances in which advice was given but you do not know the final disposition, that you endeavor to contact the evacuee and learn from him the results of his efforts. This will then enable you to complete your file.

"Your reports and records should fully set forth a complete history of the case so that in future the file will reflect fully the problem presented and the solution arrived at. Remember, undoubtedly cases will be found in the future in which we shall be called upon to defend our actions.

"That we have not had referred to us more critical cases raises a question in our minds as to whether field representatives are getting close enough to the problems presented, and being thorough enough in their investigations. We of course do not welcome the use of the freezing power; nevertheless, such power is available and, as previously instructed, you should promptly contact the office of the Federal Reserve Bank of San Francisco in your zone if its use seems desirable. 13-j

During the period when "voluntary" evacuation was encouraged, the Federal Reserve Bank did not consider it necessary to provide facilities for storage of movable property or for the disposition of evacuee owned motor vehicles. However, after controlled evacuation emerged, at the end of March, the bank was instructed by the military authorities "toprovide warehouse facilities in a manner which would not exhaust or burden facilities of that character already in existence \* \* \*. Every effort was made to keep the number of warehouses at a minimum to limit guarding costs." Evacuees living in remote communities or rural areas were advised, in order to guard against vandalism and pilferage, to concentrate their goods "in depositories of their own choice," and "on a voluntary basis." If the evacuees acted on this suggestion, which was after all in line with what they had been doing all along, and decided to store their goods in a church or a store, then the Federal Reserve Bank provided drayage facilities "in connection with each controlled evacuation operation." 13-k At the close of the Federal Reserve Bank's program of evacuee property handling, it turned over to the Relocation Authority Government warehouses with contents totaling "2,983 family units of property, made up of 38,693 individual parcels." 13-1

By late March, when controlled evacuation emerged, the Federal Reserve Bank worked out with the military authorities a plan for handling evacuee-owned automobiles and trucks. "Under this plan, evacuees had three alternatives: they could sell, store or otherwise dispose of their automobiles privately; they could store them in the custody of the bank; or they could sell them to the Army through the bank's facilities." 13-m As an evacuee reported at a control center after the area in which he lived had been posted for exclusion, he was handed the Western Defense Command and WCCA Instructions to Evacuees Regarding Disposition of Motor Vehicles. To the evacuee who had not yet disposed of his car or truck, either because he had been offered too little for it or because he had hopes of being allowed to reestablish himself in the interior where he would need his motor vehicle, these instructions offered little hope or reassurance. They began:

"Evacuees will not be permitted to take their motor vehicles to reception centers. No assurance whatever can be given that evacuees will be enabled at some future time to have the motor vehicles now owned by them returned for their individual use.

"The United States Army is authorized, in its discretion, to purchase motor vehicles from evacuees.

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<sup>\*</sup> A grand piano was counted as four parcels, its body being one, and each of its three legs an additional piece.

"Prior to evacuation, motor vehicles may be stored, sold or otherwise disposed of by the owner privately, without governmental interference or assistance."

As alternatives to storage or sale, the instructions offered to the evacuee:

"Alternative I. To deliver his motor vehicle to Federal Reserve Bank of San Francisco, as Fiscal Agent of the United States, for storage at owner's risk, without insurance; which storage will, in most instances, be in open areas (at Assembly Centers or other designated places) and must of necessity be of a character which will subject motor vehicles to a more or less rapid deterioration.

"Alternative II. To offer his motor vehicle for sale to the United States on the following basis:

"The motor vehicle will be appraised by two disinterested appraisers and, in its discretion and at its option, the Army may buy the motor vehicle at the appraised price which shall not, however, exceed the Blue Book wholesale value in the locality where the purchase is consummated." 13-n

The ruling that evacuees could not take their cars to assembly centers was relaxed in the first weeks of the evacuation movements, so that evacuees who had retained their cars were permitted to drive themselves and their families to such centers as were then in existence, chiefly to Santa Anita and to Manzanar. On arrival, these cars were placed in the custody of the Federal Reserve Bank. The cars were kept under guard in the open at these centers, and the rapidity of deterioration was easily perceived by the evacuee owners.

"It was apparent that storage of evacuee automobiles under the conditions which existed would result in considerable economic waste, and hence in a loss to the evacuee. In the case of vehicles tendered for storage, therefore, when the appraised value of a given vehicle was determined, the bank extended an offer of purchase to the evacuee. The written offer was followed by personal contact with each evacuee. \* \* \* Of the 1,905 motor vehicles received into the custody of the bank, 1,469 were sold to the Army and 319 released in accordance with the directions of the evacuees.

"Late in the Fall of 1942, 117 cars remained in the custody of the Federal Reserve Bank of San Francisco. At that time the military authorities, in consideration of the national interest during wartime, and in the interests of the evacuess themselves, decided to requisition these vehicles. Pending completion of the requisitioning procedure, voluntary sales to the Army continued in accordance with the procedure outlined above." 13-0

Statistics furnished in regard to the handling of residence, business and income property of evacuees in the Report of the Federal Reserve Bank seem to be incomplete. There is mention of 200 hotels in the Seattle area, the prevalence of hotel, market and dry cleaning establishment problems in the Fortland branch zone, dry cleaning establishment and nursery problems in the head office zone, and residence property, hotel, apartment and market problems in the Los Angeles zone. Figures for the number of cases handled at the peak of operations for the head office zone are quoted, and typical or outstanding cases are described in the appendix, but no over-all figures are presented. 13-p

The total cost of the Federal Reserve Bank's participation in the evacuee property program to December 31, 1942, was \$315,694.47. At this time it was considered that the Federal Reserve Bank of San Francisco had "no further official responsibility in the Japanese evacuation program." 13-q

The Federal Reserve Bank had been concerned with alien property from April 1940. At that time the Foreign Funds Control had been established to administer the powers of the Secretary of the Treasury as conferred by Executive Order No. 8389, which was issued under the Trading with the Enemy Act as amended, and Foreign Funds Control operated through the Federal Reserve Banks of the country. Immediately upon the outbreak of war, Foreign Funds Control froze banking and business assets which involved foreign exchange. Thus, when the question of evacuee property protection began to receive the serious attention of the general who ordered the evacuation, there was no confusion involved in the delegation of authority and placing of responsibilities with the Federal Reserve Bank of San Francisco as fiscal agent of the United States, subject to the control of the War Department. The same could not be said of the way in which the services of the Farm Security Administration were procured for assistance with the evacuee property program.

In a letter of March 15, 1942, Lieutenant General DeWitt addressed Lawrence I. Hewes, Jr., Regional Director of Farm Security Administration in San Francisco:

"By virtue of and pursuant to the authority vested in me as Commanding General, Western Defense Command and Fourth Army, and in order to effectuate the removal of any enemy aliens and other persons designated by me, engaged in farming operations, who evacuate from restricted and prohibited areas lying within my Command, you are hereby ordered and authorized as follows:

- 1. To institute and administer a program which will insure continuation of the proper use of agricultural lands voluntarily vacated by enemy aliens and other persons designated by me, and which will insure fair and equitable arrangements between the evacuees and the operators of their property.
- "2. To incur the necessary administrative expenses, including the payment of personnel and necessary traveling expenses, to carry out the purposes of this order, such expenses to be reimbursed by me upon presentation of reimbursement vouchers.
- "3. From funds made available or to be made available by me, to make, service and collect loans, including the provisions of necessary farm management advice and guidance.
- "4. To redelegate to such officers and employees of the Farm Security Administration as you may designate, any part of the authority herein contained."

Actually General DeWitt was cutting corners in "ordering and authorizing" an official of another department of the Government to do any of these things. The First War Powers Act. of December 18, 1941. had amended Section 5 (b) of the Trading with the Enemy Act, granting the President broad and sweeping powers. The President in a memorandum of February 12, 1942, transferred powers affecting property-control to the Treasury Department. By Executive Order No. 9095, March 11, 1942, the President conferred similar powers upon the Alien Property Custodian. Thus the Secretary of the Treasury or the Alien Property Custodian might with propriety have delegated authority to the Secretary of Agriculture to delegate that authority in turn to the Federal Security Administration or to the U.S.D.A. War Boards. General DeWitt was technically in a position to do no more than recommend such a course to the proper department of Government. A few formalities had been overlooked, and the Secretary of Agriculture, in whose jurisdiction the Farm Security Administration was, had not been consulted. FSA was left in an awkward situation until its delegation of authority could be legalized -- an achievement which required several weeks.

Conferences were held in Washington, memoranda were exchanged; the Solicitor of the newly created War Relocation Authority was active in Washington and made recommendations to WRA Director Milton S. Eisenhower, who was in San Francisco learning what nature of problem he had to cope with. In a letter to Mr. Eisenhower, dated April 1, 1942, the Solicitor of WRA described a meeting which had been held two days earlier in the office of the General Counsel of the Treasury Department; it had been attended by the Special Assistant to the Secretary of Agriculture, the

Assistant Solicitor of Agriculture, the Solicitor of WRA, and representatives from the Farm Security Administration and the Agricultural Adjustment Administration; these officials had met to discuss the problem of freezing power and property management with regard to the Farm Security Administration.

It developed in the course of this meeting that the Secretary of the Treasury was prepared to delegate the necessary power to the Secretary of Agriculture "provided that the Secretary of Agriculture submitted a written statement that such a delegation was necessary to enable the Secretary of Agriculture to provide for continuous agricultural production on the lands of the evacuees. Foley's /the General Counsel of the Treasury point was that the exercise of this power is an important Government responsibility, and, therefore, that the Secretary of the Treasury should have before him some document indicating that the delegation of so important a power is necessary in the public interest:"

The same letter explained that the Secretary of Agriculture was indisposed to request the Secretary of the Treasury to effect such delegation of authority and continued in that frame of mind for a week, during which interval the regional director of FSA in San Francisco remained in an anomalous position.

Following the advice of his Solicitor, Mr. Eisenhower called the Secretary of Agriculture—whose department Mr. Eisenhower left to become Director of WRA—by long distance and immediately addressed him in writing:

"This letter contains no request but a set of facts. Apparently the situation here in California has been reported to you by so many persons in so many ways that the true situation must be elusive, to say the least.

"You will recall that, after a day and a half of grilling, I told Harold Smith I would accept the job as head of the War Relocation Authority. The following morning Assistant Secretary McCloy came in to see me, and among other things said that General DeWitt wished Agriculture to be represented on his Civilian Committee on Evacuation. I, knowing that I would have to rely heavily on FSA for help in relocating the Japanese, suggested Larry Hewes. Naturally I should have consulted you, but in the pressure I did not. A day later I was on my way to California.

"Apparently Secretary McCloy wired General DeWitt to the effect that Larry Hewes was officially designated by the Department, therefore General DeWitt placed Mr. Hewes on his committee.

"General DeWitt placed two responsibilities upon Hewes: To aid in recruiting farmers to till over the farms of evacuees and to aid in maintaining production. The General made this assignment to Hewes as a representative of the Department as a whole.

"When I returned to Washington, I learned \* \* \* that
Hewes' designation had mixed up other plans, and I therefore offered to straighten the matters out by having the
General \* \* \* designate someone else. However, after
consultation with Ed Dodd /in charge of the Western
Division of the Agricultural Adjustment Administration,
it seemed better to send two telegrams to California—
one to Hewes emphasizing that he was serving as a
Departmental representative and that he should cooperate
with the War Board in meeting all responsibilities; a
second went to Dave Davidson, asking the War Board to
help get the job done.

"Ed Dodd and I then came to California and found things in a turmoil. A few evacuations had taken place, and these showed that the Japanese would suffer losses and production would decline unless the efforts already under way were backed up by some real authority.

"The perishable nature of truck crops almost invites a stalling on the part of prospective purchasers who may hope to get the property on the equity of the Japanese at a fraction of its true value. There's no need to review all the possibilities. The long and short of it is that the Japanese are selling for what they can get. Consequently, everyone agreed that the power to freeze property and to operate the farms until fair value could be received should be vested in the Department of Agriculture.

"This power exists now in the hands of the Federal Reserve Bank, which is acting as the agent of the Treasury. This means that the agency which is recruiting people to operate, buy, or lease farms must, if it runs into any type of unfairness, appeal to a representative of the Federal Reserve Bank who is not on the ground and who knows little about farming and farm values.

"It soon became evident that the power to freeze property would not be delegated directly to F.S.A. here in San Francisco, so Ed Dodd and I recommended that such power be delegated to you, and by you to the War Boards. Everyone here—General DeWitt, Federal Reserve, and all others—

approves the purpose. In my judgment it is a necessary step and one which in all justice to many innocent people should be exercised by a responsible Federal agency, which is not only familiar with the problem but has a definite responsibility for maintaining production.

"Now, I'm sure you know that General DeWitt has no authority to delegate any authority of the type I'm discussing. The greatest amount of authority rests with the Treasury \* \* \* The President gave me authority to assist with the property problem under limited circumstances and I do delegate this authority to the Treasury. This was all done in the initial belief that a single agency could best handle the situation. I still think that's true. But the Treasury should use a competent agricultural agency for agricultural property \* \* \* as it is using a banking agency for other property.

"Most of the Japanese farmers have maintained their farms in excellent condition. When they leave at the rate of two to three thousand a day, however, production is going to be a bit retarded. Evacuees must leave their household goods behind, with only a storage receipt which disclaims all responsibility; their cars, trucks, tractors, and other machinery are impounded. They move to assembly points and then on to reception centers where, starting with sand and cactus, they hope to make a living.

"I feel most deeply that when this War is over and we consider calmly this unprecedented migration of 120,000 people, we are as Americans going to regret the avoidable injustices that may have occurred.

"I hope very much that this explanation may dispel any notion that you or Carl /Carl Hamilton, Special Assistant to the Secretary may have (if you do) that General DeWitt has attempted to determine agricultural policies or action. Here on the ground things are moving fast and are greatly confused. Consequently, our judgment may not always be sound." 12

On April 3, 1942 the Secretary of Agriculture formally requested the Secretary of the Treasury to delegate the proper authority to him. He received reply on April 7 in the form of a letter of transmittal and a memorandum formally delegating authority. The former read:

"Reference is made to your letter of April 3, 1942, requesting that I authorize you, in accordance with the provisions of subdivision (b) of Section 5 of the Trading with the Enemy Act of October 6, 1917 (40 Stat. 411), as amended by

the First War Powers Act, 1941 (Public Law 354, 77th Congress), to freeze property and transactions therein and to vest, manage, operate and dispose of property when the property or any interest therein is held by an evacuee engaged in farming operations who has been evacuated or is about to evacuate a farm located in a military area within the Western Defense Command.

"Enclosed is a memorandum delegating the authority you request for the purpose of enabling the Department of Agriculture to carry out the agricultural aspects of the evacuation program for the West Coast military areas in designated zones in order, in appropriate cases, to protect an equity of an evacuee from grasping creditors or in order to prevent the loss of agricultural production."

#### The memorandum read:

"For the purpose of enabling the Department of Agriculture to carry out the agricultural aspects of the evacuation program for the West Coast military areas and designated zones, there is hereby delegated to and conferred upon the Secretary of Agriculture full authority to exercise any and all powers delegated to the Secretary of the Treasury under section 5 (b) of the Trading with the Enemy Act as amended by Title III of the First War Powers Act of 1941, with the power to redelegate these powers to such field and other agencies in the Department of Agriculture as the Secretary of Agriculture may from time to time designate. This delegation shall not be construed as a limitation upon my authority to exercise such power and authority at any time or as a limitation upon the authority of the Federal Reserve Bank of San Francisco to exercise the power and authority conferred upon it as fiscal agent of the United States."

On April 8, the Solicitor of WRA was able to wire Director Eisenhower: "Secretary Wickard has delegated freezing and management powers direct to Farm Security Administration rather than to War Boards."

By the time this question of authority and jurisdiction was answered to the satisfaction of all agencies concerned, the exclusion orders were raining down upon a thoroughly bewildered people, and trains and buses were carrying the evacuees—who were permitted to take with them only what they could carry in their two hands—to half-constructed camps at Santa Anita and at Manzanar. Throughout the rest of April and during May, 15 other assembly centers were designated in former race tracks or fair grounds in the coastal States and one in Arizona, to receive the remainder of the West Coast Japanese American people.

The worst consequence of the Government's delay in creating machinery for the handling of evacuee property was the tendency of the evacuees to make any arrangements they could, privately, to sell, lease or salvage something of what represented their life's labor and thrift. Those who could make no arrangement at all for themselves, or the few who had sufficient hardihood to hold out against outrageous pressures to sell or lease for a pittance lest they lose all, reported to the WCCA control centers after the notices of exclusion were posted and utilized the available assistance of Farm Security or the Federal Reserve Bank, according to need.

The paragraphs quoted below from the FSA report of May 1942 describe the general manner in which FSA carried out the instruction of the Secretary of the Treasury to "protect an equity of an evacuee from grasping creditors or in order to prevent the loss of agricultural production." The Secretary of the Treasury put first the protection of the evacuee's equity; while General DeWitt reversed the order in his letter of March 15, 1942 to Mr. Lawrence Hewes, he did include in his first paragraph the instruction to protec the evacuee's rights.

On June 5, 1942, Mr. Hewes, as regional director of FSA charged with the responsibility of this phase of the evacuation program submitted a Final Report of the Participation of the Farm Security Administration in the Evacuation Program of the Wartime Civil Control Administration, Civil Affairs Division, Western Defense Command and Fourth Army, Covering the Period March 15, 1942, through May 31, 1942. This report was presented to Colonel Karl R. Bendetsen, General DeWitt's Assistant Chief of Staff, who headed the WCCA. On May 31, the last evacuees from Military Area No. 1 were behind the barbed wire of assembly centers, and except for finding operators for a few farms, FSA had accomplished its work. It had registered 6,664 farms in Military Area No. 1, comprising well over 200,000 acres. It had made some interesting discoveries about the value and characteristics of Japanese farming.

"The number of farms operated by Japanese in the Pacific Coast region comprised only 2 percent of all farms, and their acreage involved only .3 percent of the total farm acreage. These percentages, however, give an entirely misleading indication of the importance of Japanese farming enterprise in the area. The average value per acre of all farms in 1940 was \$37.94, whereas that of Japanese farms was \$279.96. This difference in value is due primarily to the fact that Japanese agriculture has been a highly intensive and productive enterprise. Three out of every four acres of Japanese farm land were devoted to actual crop production, whereas only one out of every four acres of all farm land in the area was planted in crops. The average size of the Japanese farms was 42 acres, and 85 percent of them contained less than 50 acres.

"The estimated value of crops grown by Japanese farmers in 1940 in California was \$32,317,700. The values for certain specific crops were: lettuce, \$5,942,100; celery, \$4,667,250; tomatoes, \$4,182,000; cantaloupes, \$2,720,000; carrots, \$2,326,000; and strawberries, \$2,181,600.

"An analysis of Japanese farm enterprises showed that the types of crops grown were largely inter-tilled truck, fruit, and specialty crops, and often each acre was planted and harvested several times during the same year. These crops were invariably of an intensive type such as strawberries, tomatoes, lettuce, onions, celery, nursery stock, peas, beans, fruit, cranberries, melons or sugar beets. A report of the estimated percentage of the major vegetable crops produced in the Pacific Coast region by Japanese farmers clearly shows the importance of their agricultural production. For example, in California Japanese operators grew 90 percent of the strawberries, 73 percent of the snap beans, 75 percent of the celery, 60 percent of the cauliflower, 70 percent of the lettuce, 60 percent of the spinach, and 50 percent of the tomatoes.

"The specialization Japanese farming is very significant and presented an important problem to an agency which contemplated the removal of the Japanese farm operators. Floriculture, greenhouse operation, and oyster farming are other examples of specialized operations in which many of the Japanese are engaged.

#### \*\*\*\*\*\*\*\*\*\*\*\*

"In summary it may be fairly stated that the Japanese people were the most important racial minority group engaged in acriculture in the Pacific Coast region. Their systems of farming, types of crops, and land tenure conditions\* were such that their replacement by other farmers would be extremely difficult. Highly technical personnel would be required to handle such a transition, a credit program would have to be adapted to the peculiar problems presented, and some shifts in the future use of land would undoubtedly be involved." 11-a

Beginning on March 17, 1942, FSA offices registered only those farms whose owners voluntarily approached the FSA, but on order from Washington to conduct a systematic survey and registration of all

<sup>\*</sup> Refers to certain shadowy arrangements for occupancy of land by Japanese resulting from the terms of the Alien Land Laws.

evacuee operated farm property in the week ending March 27, FSA undertook a large job, which was 80 percent complete by the deadline and was continued throughout the period of evacuation movements into assembly centers, by checkup at the control stations which processed all evacuees affected by the various exclusion orders. This matter attended to, FSA set about registering prospective non-evacuee operators, but at first few materialized. Doubts of venturing into this specialized sort of farming, a large-looming labor problem, and various other factors made potential operators hesitate. FSA inaugurated a campaign of advertising opportunities, going into localities and putting pressure on possible operators and at the same time publicizing the federal loan policy; eventually the agency registered about 5,000 possibilities.

Because of the nature of Japanese farming, it was found most practicable in many instances to encourage the formation of corporations—often connected with growers! and shippers! organizations—to operate a group of farms and to make loans of considerable size to such corporations. By June 1, 722 loans totaling \$3,120,243 had been approved. 11-b

FSA operations were financed in part by the War Department; in part from the President's Emergency Fund:

"On March 18, 1942, the Army allocated to the Regional Director (of FSA) \$1,000,000 for use in making WFA loans. \* \* \* By the middle of April, this sum had been exhausted, chiefly by the making of loans in excess of \$900,000. In anticipation of this situation additional funds were requested on April 9, 1942. On April 24, 1942, \$5,000,000 of additional money was received from the President's Emergency Fund with which to continue operations.

"By the end of May, a total of \$3,584,025.42 had been expended either for loans or administrative costs. Of this sum, \$3,434,008.08 was for loans and \$150,017.34 for administrative costs." ll-c

In only one instance had FSA seen fit to use its freezing power to protect the equity of a Japanese American owner. The fact that the agency had such power was presumed to have had a salutary effect upon those Americans who were over-zealous bargain-hunters.ll-d A Farm Security Administration instruction, dated April 10, 1942, warned: "The extraordinary character of the power presupposes that it will be used with the greatest of reserve." 14-d In a communication of the same date addressed to his staff, Regional Director Laurence I. Hewes, Jr., spelled out the warning in more detail:

"As pointed out in Wartime Farm Adjustment Instruction 952.1. the freezing power imposes upon the Farm Security Administration duties and responsibilities with reference to its use, which are commensurate with the extraordinary character of these powers. It is absolutely imperative that these powers be used sparingly and with the greatest of caution to insure against any possible abuse. Administrator of the Farm Security Administration has repeatedly impressed upon me the need of avoiding hasty and ill-considered action. I believe it is unnecessary for me to advise you that the improper use of the freezing power will not only occasion considerable embarrassment to and invite serious criticism of the Farm Security Administration but, of much greater importance, will defeat the very purpose which the Farm Security Administration seeks to accomplish -- namely, the continuation of agricultural production.

"The abuse of the power may result either from its improper exercise or from careless references to the existence of the power and the ability to make use of it. I must, therefore, advise you that under no circumstances whatsoever may any of you indicate to an evacuee or to any person in the relation of landlord, lienor, or creditor of an evacuee, that any particular act or failure to act on his part will result in the exercise of the freezing power. In other words, you may not under any circumstances threaten or imply that the freezing power will be exercised. In any situation in which it appears to you that the freezing power should be exercised, the proper procedure to follow is that set forth in Wartime Farm Adjustment Instruction 952.1.\* You are expected to adhere strictly to that procedure and not deviate therefrom. I feel very deeply the responsibility which is placed upon the Farm Security Administration and, therefore, wish to advise you that the failure of any employee to exercise the proper degree of restraint and caution in connection with the use of the freezing power will be the subject of prompt and full investigation." 14-d

<sup>\*</sup> By the terms of this instruction the evacuee owner had to take the initiative in instigating use of the freezing power. The evacuee had to file a formal petition to have his property designated as Special Blocked Property and the situation which had produced the petition had to be thoroughly investigated by the Government agents before the freezing power could be invoked.

In the evacuation of Bainbridge Island—in Puget Sound—the first area to be evacuated under the military power of exclusion, shortage of time made it necessary for the FSA field agent to accept 13 powers of attorney. The California Evacuated Farms Association was a corporation formed within FSA to exercise supervisory and managerial rights at need; it took over the Bainbridge Island property.ll—e

FSA had additional responsibility to prevent unnecessary junking of evacuee-owned farm machinery and to keep it available for use. The policy statement contained four major provisions:

- "1. To the extent necessary for the continued operation of evacuated farms, farm machinery was to be retained upon the land for which it was normally used. A separate sale of the farm machinery to persons other than the substitute operator was to be discouraged unless the substitute operator possessed the necessary machinery to continue operations under a satisfactory farm program.
- "2. Where machinery was to be sold off of the farm it was to be retained in the community or locality.
- "3. The storage of farm machinery which would remove it from use during the war period was to be discouraged in view of the difficulty experienced in obtaining farming implements and equipment.
- "4. Farm machinery still suitable for use or capable of being repaired was not to be sold to junk dealers for ultimate resale as scrap metal."11-f

A report from all FSA field agents, of May 8, 1942, showed that only 13 farms in the evacuated area had any undisposed-of machinery. The approximate value of this machinery was \$11,655.11-g

On August 1, 1942, the responsibility for disposal by sale or lease of real property and for storage or transfer of movable property of evacuees became that of MRA. The Authority at that time set up an Evacuee Property Division in what was then the San Francisco regional office, with branches staffed by an agricultural property officer and a commercial property officer at Seattle and at Los Angeles. The Farm Security Administration retained jurisdiction over its WFA loans and collections, but otherwise stepped out of the picture, having referred to WRA 53 cases requiring action. The Federal Reserve Bank turned over businesses numbering 1,325 in California, 185 in the Portland area, and 1,277 in Washington.

The Director of the War Relocation Authority had written from San Francisco on March 30, 1942--on the eve of enforced evacuation movements-to James Rowe, Assistant to Attorney General Biddle:

"The hardest battles so far are about the property of evacuees. I am fearful that the voluntary system is going to bog down badly in spots. Colonel Bendetsen and I are trying to fix things up as best we can and on the whole, perhaps, justice will be done the Japanese. But there's no denying that there will be difficulties.

#### \*\*\*\*\*\*\*\*\*\*\*\*\*

"Colonel Bendetsen and I had hoped that Ennis or someone else keenly interested in this whole problem could come out here and observe impartially the functioning of the property-handling system. It may prove to be the darkest part of a pretty dark picture."

The May 1942 report of the Tolan Committee indicated both understanding and concern with regard to the handling of evacuee property.

"With respect to the present program of protecting personal property rights, the committee herewith records several observations. It should be emphasized that property protection, particularly with regard to household goods and personal effects cannot be disassociated from any plan for resettlement. \* \* \* It is obvious that, with the rapid curtailment in the manufacture of household goods and appliances, it will be impossible in many instances to supply articles of furniture, and other household items, when resettlement projects have assumed definite shape. It is impracticable, therefore, to urge upon the evacuees the hurried sale of these articles, when they will undoubtedly be needed badly at a later date.

"It appears to the committee that, although momentarily likely to involve additional detail work, a plan for the storage of all generally recognized useful household articles should be instituted, rather than the present system of making such storage optional to the evacuees. Storage should be insisted upon. If this is not done, the committee believes the War Relocation Authority will find itself severely handicapped in any resettlement effort, with evacuees arriving at reception centers and resettlement sites without even the bare necessities for a new beginning. The following summary, submitted by the Federal Reserve Bank of San Francisco on April 20, 1942, indicates how few evacuees were taking advantage of the opportunity

to store property. The summary showed that of 2,506 heads of families processed through control stations, only 679 had discussed movable property problems and only 498 had at their request been provided with government storage in warehouses.

"The committee considers the present policies of the Federal Reserve Bank in handling property matters to be deficient in the following particulars: Although the bank, under the authority of the Secretary of the Treasury, apparently has ample authority for assuming powers of attorney and otherwise controlling the disposition of property, it appears to have emphasized a policy of immediate liquidation. The conditions under which the bank will accept property for storage have thus far been cautious in the extreme. The principle of owner's risk laid down as a condition of accepting property for storage, including automobiles, also must be regarded as a bad psychological factor.

"The committee recognizes that there are few, if any, precedents for dealing with the endless number of problems raised by the enforced evacuation of aliens and citizens from strategic military areas in this country. \*\*\* However, a farsighted policy of resettlement demands that future negotiations point more in the direction of salvaging useful household items and other property effects consistent with future activities of the War Relocation Authority, rather than toward undue encouragement of liquidation.

"The committee also recommends that Congress consider whether some extension of war-damage insurance is feasible for property accepted for storage. In this connection, the committee calls attention to language appearing at the bottom of the personal property inventory list supplied by the Federal Reserve Bank to evacuees which reads as follows:

"'If the property herein claimed to have been delivered, and which actually was delivered, is lost, damaged, or destroyed as the result of negligence while it is in the possession or custody of the United States, or of any agency acting for it, the Congress of the United States will be asked to take appropriate action for the benefit of owners.'

"Having in mind that the majority of the present evacuees are American citizens, it is not inconceivable that law suits may be instituted at the close of the war in the event negligence or damage to property is suffered by individuals affected by the evacuation. "The reticence to assume responsibility which has characterized the handling of personal property has also been present in the disposition of automobiles \* \* \*. The official instructions to evacuees would indicate that present arrangements do not take full stock of the straightened economic circumstances in which this country now finds itself\* \* \*.

"It is clear that before this war is concluded our Nation will have acute need for every automobile, battery, and tire it can secure. It is, therefore, urged upon those responsible for property protection that they husband these assets." 14-e

On the subject of the protection of evacuee-owned rural property and continuance of agricultural production, responsibilities of the Farm Security Administration, the committee commented:

"\* \* \* As the committee pointed out in its preliminary report on evacuation problems, the Japanese have been responsible for a considerable volume of certain crops grown in Pacific Coast States, particularly in California. This factor, plus the slender margin of time allowed for the completion of property transfers, has already led to several unfortunate consequences for the evacuees \* \* \*.

"While supporting the exhortation of the Wartime Civil Control Administration to the evacuees to continue farming operations up to the time of evacuation as a demonstration of loyalty, the committee is nevertheless constrained to point out that this policy has frequently worked to the economic disadvantage of the evacuees or has proved beyond their economic means to carry out. Utilization of farm implements to the last moment makes it difficult to effectuate equitable settlements when the order comes for evacuation. Moreover, \* \* \* it may be well for the War Relocation Authority\*\* to weigh carefully possible alternatives to this course, such as storage of implements which are growing scarcer daily, until resettlement projects assume more tangible outlines. In transfers of lease or title, where the implements are considered an integral part of the transaction, this alternative may not be feasible.

<sup>\*</sup> Reference is to instructions quoted on pp. 29-30 of this report.

<sup>\*\*</sup>The committee was anticipating future events: it was not until August of 1942 that the War Relocation Authority inherited the property problems which the mass evacuation had posed.

The committee must emphasize, however, that conservation is to be encouraged rather than wholesale dispersion of machinery which may be difficult, if not impossible to replace.

"Again recognizing that urgency has operated at all times as a qualifying circumstance against a perfected evacuation plan, the committee observes that the delay in delegating to the Farm Security Administration the power to 'freeze' properties similar to that held by the Federal Reserve Bank has represented a hindrance to Farm Security Administration in its work as overseer of agricultural properties owned or leased by Japanese \* \* \*.

"In the interest of formalizing procedures, the committee recommends that the Farm Security Administration, through its field agents currently engaged in the transfer of agricultural properties, be delegated to perform a continuing check upon the terms of all leases and other arrangements entered into by the evacuees. By this method, the Farm Security Administration could act as agent for returns due evacuees for crops planted and growing prior to the evacuation; it could also receive and forward property payments to the Japanese, since the new operators may find it difficult to keep in touch with the various resettlement projects. This must be done to assure the property rights of the evacuees. Orderly accounting procedures instituted now merely would reflect sound business sense and serve to avoid endless litigation in the post-war period.

#### \*\*\*\*\*\*\*\*\*\*\*\*

"The committee further recommends that the Congress give immediate attention to such other property items as conservation of equities in mortgages, as well as the possibility of delinquencies in taxes on property vacated or abandoned by evacuees \* \* \*." 14-f

## THE EVACUEE PROPERTY PROGRAM OF THE WAR RELOCATION AUTHORITY

Gathering a small staff from the ranks of the Farm Security Administration and California Land Bank personnel, the War Relocation Authority set up the Division of Evacuee Property within the San Francisco Regional Office of the Authority in August of 1942, establishing small branch offices in Seattle and Los Angeles, prepared to offer eight types of services to any evacuee who requested such service:

- 1. To secure tenants or operators for both agricultural and commercial properties.
- 2. To negotiate new leases or renewals of existing leases.
- 3. To obtain buyers for real or personal property of all kinds.
- 4. To effect settlement of claims for or against an evacuee.
- 5. To adjust differences arising out of inequitable, hastily made or indefinite agreements.
- 6. To obtain an accounting for amounts due, and to facilitate collections.
- 7. To ascertain whether property was being satisfactorily maintained or whether damage or waste was occurring.
- 8. To check inventories of goods and equipment, and to recommend utilization of material for the best interests of the evacuee and the nation.

## Early Problems Relating to Movable Property

At the time when WRA assumed responsibility for evacuee property, the Federal Reserve Bank of San Francisco assigned to WRA the leases for the 19 warehouses which the bank had taken for storage of household goods and personal properties of evacuees until such possessions could be transferred to relocation centers. However, having been encouraged to make arrangements for private storage wherever possible, the evacuees had in general utilized the bank's services only as a last resort; in all, only 2,867 families had stored their possessions in the bank's warehouses. 15 The others had left their possessions stored in vacant stores, churches, houses, garages or other outbuildings on their own land; many had reserved a room in a house rented for the duration to a tenant, with only a verbal agreement that the reserved room in which possessions of the absent owner were stored should remain unmolested until the owner could recover his property.

The Federal Reserve Bank had agreed to ship, free of charge, to relocation centers such household and other personal goods as had been stored in the bank's warehouses. WRA assumed this obligation in August. Throughout the summer and early fall the evacuee population was being moved from WCCA assembly centers into the WRA relocation centers, where the majority of the people anticipated living for the duration of the war. In the barrack shelter of the relocation centers, a large family occupied a single room 20' x 25', a small one received a room 16' x 20'.

Cots and blankets were issued to the occupants. Heating stoves were installed as soon as transportation facilities permitted. Anything beyond these basic essentials of living equipment had to be contrived or provided by the evacuees. Understandably they wanted such items of furniture and equipment from storage as could be utilized in the limited space of their barrack apartments. Those who had stored their goods in Government warehouses could check inventories for wanted items and receive them at the center in a reasonable length of time, without cost. Those who had left their goods in an abandoned church or in a shed on a farm which might be untenanted, or in any privately arranged accommodations were not eligible for free service. Throughout the first few months of WRA's jurisdiction over evacuee property matters, regulations provided that WRA would transport to the owner such goods as the evacuees at their own expense had transferred from private storage to Government warehouses. It soon became evident that the majority of the evacuees had so depleted their savings in the course of the evacuation that they had not means to pay for getting their possessions collected and transported to a Government warehouse. It was becoming increasingly apparent, too, as WRA representatives made requested check-ups on evacuee personal property, that goods stored in vacant stores, churches, and left with neighbors were not adequately safeguarded. Losses from fire, flood, theft and vandalism were mounting steadily. 16

In recognition of this situation, the Authority established procedures in January of 1943 which permitted the collection of movable property and the transportation of such evacuee property to Government warehouses at Government expense. This service was offered to any evacuee who wished to avail himself of it, and as requests streamed in from the centers for transfer of household goods and equipment to this safer kind of storage, warehouses were leased at various points where there was a concentration of evacuee property.

It is unfortunate that the evacuees were encouraged to arrange for private storage of their goods at the time of their removal from the West Coast. Time and experience have demonstrated that padlocks and bolts on isolated farm buildings and deserted churches or stores afforded little protection to absentee owners against the lawless. Prejudice against the evacuated people ran high during the war years throughout the evacuated area, and this prejudice was reflected in the indifference of many local law enforcement agencies toward the depredation of evacuee property and in their professed inability to find or identify vandals, arsonists and thieves.

# Problems Inherited by WRA from FSA

Not long after WRA had taken over the responsibilities of the Farm Security Administration with regard to evacuee property, a major problem emerged as an outgrowth of the FSA policy of collections on

Wartime Farm Adjustment loans made to operators who took over evacuee farms. A memo from Victor L. Furth of the Evacuee Property Division to the regional director of WRA, San Francisco, dated November 9, 1942, summarized the problem as it was recognized by WRA at that time:

"The Evacuee Property Divison has been called on to assist in property problems involving loans made through the Wartime Farms Administration Adjustment Program, which was supervised by the Farm Security Administration. As you know, FSA has turned over to the War Relocation Authority all of the other evacuee agricultural problems but still has the responsibility for servicing and collecting WFA loans. It is already apparent that a number of these loans are not likely to be repaid within the period of twelve months for which the loans were made, so that it becomes essential to the protection of evacuee interests to find out just what the collection policy of FSA will be with respect to requests for renewals or extensions of time.

"In conversation with Mr. L. I. Hewes, Jr., Regional Director of the Farm Security Administration in San Francisco, we have learned that his agency expects to exert 'a firm collection policy'. However, it was indicated that due consideration would be given to each case and that some concessions might be made if circumstances justified them. The policy as stated appears reasonable but a serious problem arises from the fact that many operators need assurance right now as to whether or not they can obtain an extension of time so that they can plan their operations for next season's crops in ample time.

"Mr. Hewes has expressed the belief that the Farm Security Administration took on the financing program for the 1942 season because no other agency was available but he feels that it was more or less of a temporary arrangement to carry through the crop season that was already under way, and he believes that the loans should be liquidated as completely as possible and that operators needing additional financing should either obtain it from the usual commercial channels or that some other government agency should provide the necessary funds.

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"In the Seattle area we are already observing cases where operators of evacuee farms are abandoning the properties, knowing that they will not be able to repay their loans in full by the due date and believing that they have no

opportunity of obtaining extensions of time or renewals of their loans. It seems to us that if the Farm Security Administration is willing to consider each case on its individual merits, some indication of this policy should be made known to the farm operators so that they will be encouraged to remain on the farms, start their operations for next season, and keep the places in production instead of drifting off to other occupations.

"We believe that if it were possible to do so this entire situation might be reviewed with representatives of the Farm Security Administration in Washington. We are anxious to see that the evacuees receive all of the money due them from the operation of their farms and we are likewise interested in providing for their continued operation. Both of these objectives are adversely affected by the uncertainty that exists at the present time."

A memo of November 26, 1942, from Lieutenant Colonel Claude B. Washburne, Civil Affairs Division, Chief, Inspection and Fiscal Division, to Colonel Karl R. Bendetsen, Assistant Chief of Staff, Civil Affairs Division, Wartime Civil Control Administration, gives a military analysis of the situation in the following numbered paragraphs:

"3. A conversation with Mr. Hollingberry /Hollenberg/ of Farm Security Administration reveals the following pertinent information. Maturity date of crop loans and extensions thereof do not in any case run beyond the end of fiscal year 1943. Extensions of loans are not made unless Farm Security Administration feels confident that a greater portion of the loan can be collected if an extension is granted. These cases are few. The policy in general is that these loans were made to cover the emergency need of evacuating Japanese and insuring harvesting of growing crops, that the obligation of the borrower is positive and that the loans will be collected from any monies available from the crop and equipment chattels notwithstanding it may work a hardship on the borrower and possibly mean the other creditors. including the Japanese, may get nothing. Under this procedure the borrower must refinance through normal credit channels. In many cases the Japanese have agreements with the borrowers whereby the Japanese are to receive 50% of the net proceeds of the sale of crops. In the event the Farm Security Administration takes all proceeds under their first liens, it means the Japanese gets nothing. The likelihood of charges that the evacuees have been robbed of their equipment and interest in leases becomes obvious.

- "4. As a result of the strict compliance of credit terms, it has been necessary for Farm Security Administration to sell under their supervision farm equipment of Japanese and borrower on which they held chattels. Considerable and bitter criticism is directed at them as a result of their collection procedure.
- "5. The statistician at Farm Security Administration estimates they will collect between 70% and 90% of the total loans made.
- "6. Farm Security Administration has pursued this policy feeling that the matter of a fiscal year 1944 loaning program to insure production from these lands and the protection of the property interests and leases in connection therewith of the Japanese are now functions pertaining to the War Relocation Authority. They feel that their job will be completed upon collection of present loans unless called upon by the proper branch of the Government to perform additional services.
- "7. They wish that above information be in the hands of the Assistant Chief of Staff, Civil Affairs Division, to determine if their policy is satisfactory.
- "8. In this connection it might be assumed that the crop problem is settled as follows:
  - "a. War Relocation Authority being charged with duty of protecting Japanese's interest in farm machinery and leases.
  - "b. Farm Security Administration cleaning up the emergency growing crop loans.
  - "C. Future refinancing of borrowers and replanting of lands being left to normal channels which are available to the general public.
  - "d. War Production Board and U. S. Department of Agriculture War Boards to take the matter up in the event the lands lie idle to the extent it might become serious. However, there the War Relocation Authority and the Farm Security Administration are engaged in a controversy regarding the justness of Farm Security Administration's collection as it concerns property rights of evacuees. It appears they and their attorneys have

reached.an impasse. War Production Board and U. S. Department of Agriculture War Board are not particularly interested at the present moment.

"9. The matter has been talked over with War Production Board, Farm Security Administration, and War Relocation Authority and it is the recommendation of the Inspection and Fiscal Division that the attendant problems beyond that of the present crop loans be guided into normal and more permanent channels. This might be effected by a meeting in the very near future between Mr. Dillon Myer (now in San Francisco), Mr. Laurence Hewes and yourself or your representative."

A copy of this memo was sent to Mr. Fryer, WRA regional director, who responded in a brief memo addressed to Colonel Bendetsen on December 3, 1942:

"\* \* You are aware of adverse public reaction to the policy of Farm Security Administration designed to collect WFA loans irrespective of the consequences upon evacuees or substitute operators. You are no doubt also aware that evacuees are going to view such action very seriously. We understand that Farm Security Administration considers it mandatory that they follow this procedure in order that their obligations to the War Department be fully met.

"The War Relocation Authority has given this matter serious attention, and an effort to work out a program satisfactory to both War Relocation Authority and Farm Security Administration is being undertaken in Washington. War Relocation Authority accordingly requests that all action designed to liquidate such loans be withheld pending the outcome of the conferences above mentioned. Will you please indicate to us what action you will take toward this end?"

WRA's problems were further complicated by the difficulty of getting essential information concerning farms which were caught in the meshes of the loan policy. On November 30 Mr. Russell Robinson, WRA chief of evacuee property (formerly a Farm Security Administration man), called his former assistant, Mr. Eager of FSA, and asked him to prepare a list of all persons receiving WFA loans from FSA, the date of such loans, amounts, and indication of which, in the judgment of FSA would be collectible only through legal procedure. This oral request was followed by a formal request in writing to Mr. Ralph W. Hollenberg, assistant regional director of FSA. In a memo of December 3, 1942,

Mr. Robinson described to Mr. Fryer his attempts to procure this information.

"Each day I have contacted Mr. Eager to ascertain the progress of the assignment. I learned this morning that the material is ready for us. However, Mr. Eager has been instructed to channel it through the Regional Director's office of Farm Security Administration and there appears to be reluctance on the part of that office to release it directly to us. I have accordingly just been to the Regional Office of Farm Security Administration and learned that Mr. Hewes is in Washington, Mr. Hollenberg is in Denver, and Mr. Anglim is Acting Regional Director. I explained to Mr. Anglim precisely what I had asked for, and indicated that this information was necessary to us in order that we might arrive at a conclusion with regard to the future disposition and handling of our responsibility in the matter.

"Mr. Anglim, after considerable discussion, stated that inasmuch as he was unfamiliar with the entire problem, he felt he could not do otherwise than adhere to the following procedure: He will transmit the information so gathered to Mr. Baldwin in Washington, by airmail today, with a letter indicating the nature of our request and the suggestion that if in the judgment of Mr. Baldwin it should be transmitted to WRA, that Mr. Baldwin do so. He is sending an extra copy for that purpose. He is also asking to be informed by Mr. Baldwin if it will be permissible to transmit a copy to the Evacuee Property Division locally.

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"Throughout my conversation with Mr. Anglim and Miss Ruth Wilson (Mr. Hewes' secretary), there was a thread of thought revealed which indicates that Farm Security does not care to release anything concerning the handling of the funds made available to them by the War Department except upon the specific direction of Colonel Bendetsen."

Mr. Robinson set forth his further opinion of the farm property situation in a memo bearing the date of December 4, 1942; this, too, was addressed to his regional director, Mr. Fryer.

"The present approach of Farm Security Administration, as announced by themselves, is that of a 'firm collection policy.' All other considerations are subservient to

collecting every dollar loaned by them in the WFA program. It is difficult for me to comprehend how our announced policy of 'maximum utilization of evacuee property in the national interests and protection and preservation of the interests and equity of the evacuees' can be adhered to under the present Farm Security approach. I am convinced that the evacuees may, at the termination of the war, have many just claims against the government unless we chart our course in such a way as will insure following our own announced policy. As a nation we are striving to prove to the world that the democratic processes are the enduring ones. Any action which savors of confiscation or deliberate waste of a citizen's interests will not enlist the wholehearted support of the principles we are presumed to be upholding. \* \* \*

"For some five years I have had a considerable part in assisting to determine policies, procedures, and the training of people in a loaning program. I am fully aware of the complications which are involved in such a program. It is not clear to me how the Evacuee Property Division can fulfill its functions without having control of the financial assistance required to operate evacuee property. Because of developments which have taken place, I am satisfied the only way in which we can completely fulfill our obligations to the evacuees is to remove all other interests from the picture. Only in this way can the principles and policies upon which we operate be assured of successful administration."

During his November visit to San Francisco, the National Director of the War Relocation Authority had talked to Colonel Bendetsen and to FSA representatives on the subject of the collection policy, but Colonel Bendetsen had been vague in his pronouncements and Mr. Hewes was adamant on his "firm collection policy." Upon his return to Washington Mr. Myer discussed the problem with the National Director of FSA and forwarded a request for carefully thought out answers to three questions to the chief of evacuee property in San Francisco. Mr. Robinson's memo of December 17, 1942, sets forth clearly WRA attitudes and interpretations of obligations laid upon FSA in this matter.

The first question was: What policy should be followed in servicing existing WFA loans? In replying, Mr. Robinson quoted Lieutenant General DeWitt's letter of March 15, 1942, which instructed first, in a list of four considerations, that the regional director of FSA should "administer a program which will insure continuation of the proper agricultural lands \* \* \* and which will insure fair and equitable arrangements between the evacuees and the operators of their property." The third consideration was the making, servicing and collection of loans.

At the time when these functions were assigned to FSA, Mr. Robinson had been an official of that agency. On December 17, 1942, as the War Relocation Authority's chief of evacuee property, Mr. Robinson wrote:

"I recall very distinctly, while I was in the WFA program, calling to Mr. Hewes' attention the fact that in the speed with which we were charged to execute the order, there were apt to be some unsound loans made and I felt this should be made clear to WCCA. I am sure this was taken up with Colonel Bendetsen and that it was made clear to Mr. Hewes that the most important thing was the fulfillment of the order to insure continuity of production and equitable dealings; loan collections were secondary to this.

"On July 6, 1942, Colonel Karl R. Bendetsen, Assistant Chief of Staff, Civil Affairs Division, Wartime Civil Control Administration, issued the following instructions to Farm Security Administration:

- 'l. Upon the completion of evacuation of Areas Nos. 1 and 2, the responsibilities of the Farm Security Administration relating to the protection of evacuees' property will be accepted by the War Relocation Authority, exclusive of cases wherein loans were made to substitute operators.
- 12. In order to enable War Relocation Authority effectively to service individual problems arising out of transactions effected through you, as an agency of the Wartime Civil Control Administration, it may be necessary for certain data pertinent to these transactions now in your files to be made available for perusal and copying by that Authority. It is desired that appropriate arrangements be made between you and WRA for enabling the Authority to have such access to such pertinent records.
- '3. In addition, it is suggested that a representative of your administration familiar with the program and who can devote sufficient time to the task, be assigned to assist WRA in a liaison capacity until that Authority is able to carry out fully the responsibilities imposed upon it by reason of the transfer above mentioned.'

"The underscoring is my own. If the wording of the first paragraph is carefully scrutinized, you will note that Farm

Security Administration is not completely relieved of all responsibility. If I interpret this correctly, Farm Security Administration is not relieved from the order contained in paragraph (1) of General Dewitt's letter of March 15. In my opinion, they still hold a continuing responsibility to see that all terms and conditions under which the transfer of evacuee property to substitute operators was made are lived up to. I think this is especially true where a loan was made to the substitute operator for the specific purpose of paying an evacuee for his labor, or crops, or chattels, or whatever else his equity might have been.

"In light of the above, it is my judgment that the policy which should be followed in servicing existing WFA loans should be one which lives up to the orders given to Farm Security Administration and which, to the best of my knowledge, have never been changed, except as indicated herein. I do not believe that a 'firm collection policy' is the only responsibility of Farm Security Administration. Additional time and additional money should be granted to WFA borrowers who are unable to pay their loans out in the original loan term, if their outlook is good. In many instances substitute operators undertook to purchase large quantities of farm equipment. In fact, I know of a number of instances where the amount allocated to this purpose in the loan was by far the greater percentage. It should be recognized that more than one year will be required to pay off large capital investments.

"We also feel that provision should be made to finance new borrowers able to take over evacuee property. Many such loans will exceed the Farm Security Administration's present limit of \$2,500 per individual. Such borrowers would not necessarily qualify for loans from commercial channels due to their limited equity and lack of resources. Where evacuees leased their farms to substitute operators on a share basis, the evacuees should receive their share of crops produced under any circumstances, and the WFA lien should extend only to the operator's share."

The second question to be answered was: What is our \[ \times \] WRA's conception of the policy of Farm Security Administration toward the servicing of these loans? To this question Mr. Robinson replied as follows:

"On more than one occasion I have attempted to have a conference with Mr. Hewes to discuss their policy regarding WFA loans and its effect upon our responsibility to the

evacuees. Each time I have been referred to Mr. Hollenberg with the statement that this matter has been placed in his hands. I have held several conversations with Mr. Hollenberg. He has made it very clear to me that Farm Security Administration's policy is now to collect every dollar possible under their mortgages. He frankly admits that this will result in injustices to evacuees; for example, leases were made by substitute operators wherein the substitute operator agreed to pay to the evacuee fifty percent of the net operating income. It is the contention of Farm Security that they hold a mortgage on the entire crop and therefore must insist upon the entire net income first being used to repay their mortgage in full. If there is a deficiency existing, the evacuee will be entitled to nothing.

"A second example is a case where the substitute operator purchased the farm equipment of an evacuee. This farm equipment was included in the crop and chattel mortgage. If the substitute operator does not have sufficient net income to repay the WFA loan in full, it will be necessary for Farm Security to foreclose on this farm equipment. They, in turn, may then sell it to the highest bidder. This may well mean that the equipment will go out of that locality. As a consequence, equipment will not be available to operate this farm and the interests of the evacuee are thrown into jeopardy.

"Mr. Hollenberg has justified this approach on their part by saying that he felt, unless his organization did everything in their power to collect all of the money due to the War Department or the government, they would be remiss in their duties and subject to severe criticism. Regarding the possibility of extending the period for repayment. Mr. Hollenberg has also informed me that this will not be done unless, in their judgment, the chance of collecting a greater proportion of the loan is assured. Obviously, with the labor situation for the 1943 cropping season very uncertain and the transportation problem increasing in severity, there is little likelihood that an extension of a repayment period can be viewed with much optimism. Here again, however, this approach is justified on the premise that they would be remiss in their duties if they failed to collect the amount now in sight, rather than extending the loan, and then succeeded in recovering a lesser amount. Recently Mr. Coverley, while acting as regional director of WRA/, telephoned Mr. Hewes and discussed this matter of policy approach with him. It is my understanding that Mr. Hewes expressed himself in this way: that, although he did

not like the program, if he were directed by higher authority to proceed with a loaning program, and money was made available to him for his purpose, he would do so."

The third question was: Where are these two policies in conflict and what adjustment needs to be made to make them conform? The answer reads:

"It is my belief that the two policies differ as to the fundamental purpose of the WFA program. It goes without saying that the taxpayers' money must not be loaned without careful consideration of all the factors that make for security in the case of any loan made by public agencies. Also, the loans made must be watched, and every effort must be made to collect as close to one hundred per cent as possible. I believe it is very clear that the national interests require, and that in establishing the program General De Witt ordered, that there be continuation of proper use of agricultural lands vacated by evacuees and that fair and equitable arrangements between the evacuees and substitute operators be made and carried out. It is apparent that a cold, rigid collection policy will frequently run counter to this. In order to adjust these differences it must be recognized that production of essential foods is more important than one hundred per cent recovery of the funds that were loaned through WFA.

"In addition, evacuees are likely to present and press claims against the government for losses incurred by them due to failure on the part of governmental agencies to live up to their responsibilities. It is entirely possible that any savings made in collecting anywhere near one hundred per cent of the loans made will be offset by having to examine, defend against, and perhaps make payment on such claims. The agency charged with servicing the loans should be able to handle all cases requiring adjustment, whether evacuee interests still prevail or not.

"We feel there should be a high degree of cooperation between FSA and WRA, and a ready exchange of information between the two agencies. Despite paragraphs (2) and (3) in Colonel Bendetsen's directive of July 6, each time we have requested data pertinent to transactions now in the files of FSA, we have had to appeal to WCCA to make it available to us, or the matter is referred to Mr. Baldwin in Washington, D. C. for decision.

"To summarize, I believe the following steps will result in a solution of the problem:

- "l. Agreement as to the fundamental purpose of the WFA program.
- "2. Recognition of the fact that the WFA program cannot necessarily be concluded twelve months from its inception.
- "3. Acceptance by Farm Security Administration of its full share, legally and morally, of the obligation imposed upon it.
- "4. A decision as to who will carry on refinancing where it is reasonable, taking into consideration the national interests and the evacuees' interests, in addition to the collectability of as large a part as possible of the outstanding loans.
- "5. A definite understanding, by both agencies, as to how such program will be executed.
- "6. Free and unimpeded interchange of information between FSA and WRA."

These recommended steps were never accomplished. As the regional office of FSA carried on its functions in regard to evacuee farm property under the direction of WCCA, or, to be more specific, Colonel Bendetsen, who was General DeWitt's Assistnat Chief of Staff, it is reasonable to conclude that had Colonel Bendetsen firmly recommended a more elastic collection policy to be employed in regard to the WFA loans financed by the Western Defense Command, then the regional director of FSA might have been less keenly aware of his obligation to wipe off the debt to the War Department at any and all costs to evacuees, operators and continued production of vitally needed farm produce.

# Some Results of the Collection Policy of FSA

The official FSA report of its labors with evacuee farm property under the direction of WCCA contains the statement:

"Because of the nature of Japanese farming, in many instances it was found most practicable to encourage the formation of corporations (connected with growers' and shippers' organizations, often) to operate a group of farms, and to make loans of considerable size to such corporations." 11-b

In Placer County, a district of deciduous fruit production with a fairly heavy concentration of Japanese orchardists, various packing houses and fruit-shipping organizations formed subsidiary corporations, entering into direct lease agreements with the individual Japanese land owners and lessees. The typical lease contained an agreement that the evacuee should receive 50 percent of the net proceeds from sale of the crops after operating expenses had been deducted. The corporation acquired operating capital by means of a WFA loan which was granted on the basis of crop mortgages. It was customary for a specific corporation to handle a group of farms in a specific locality, the farms often lying adjacent to each other. Some parcels of land were superior to others and produced crops which netted a substantial profit, whereas other parcels of poorer land failed to make costs. Whereas the corporations had leases with the individual evacuee owners, the FSA viewed the entire income from all properties managed by a corporation as subject to the crop mortgage and accordingly demanded that the full WFA loan be paid before any lessor's interests could be recognized. Thus an evacuee owner who had every right, according to the terms of the lease with the corporation, to expect a substantial return from his property, received nothing at all until deficits caused by poor crops on other persons' property had been made good. The story of Northern Farms, Inc., offers a concrete example of what could happen as a result of conflicting views held by corporation and FSA.

## Northern Farms, Inc.

At the time of the evacuation in 1942, the Nash-DeCamp Company, an established marketing corporation for farm produce in Placer County, California, set up a dummy corporation designed to operate groups of evacuee farms. Like other corporations formed to operate evacuee land, it had no assets except leases obtained from evacuee owners and it depended upon a WFA loan negotiated with the Farm Security Administration for operating costs.

"The officers in charge of the Wartime Farm Adjustment Program knew that the corporations were designed for the primary purpose of insulating the parent company, which was the marketing company, from any losses that might be incurred as a result of the operation of the evacuated lands. Northern Farms, Inc., was one of such dummy corporations. Its officers were the same as the officers of its parent company, the Nash-DeCamp Company, which is a company engaged in the marketing of farm products. No salaries were paid to the officers of the Northern Farms, Inc., and none of its field men were to be paid except out of net profits and their salaries were paid by Nash-DeCamp Company.

"Northern Farms, Inc., obtained leases to 20 farms owned or leased and operated by American citizens of Japanese ancestry who were subsequently evacuated. After obtaining the leases Northern Farms, Inc., submitted an application to the Wartime Farm Adjustment Program Unit of the Farm Security Administration for a loan to cover operation, management and the supervision of the evacuated farms. This application was accompanied by a budget and by the leases obtained from the evacuees. The leases provided in relevant part as follows:

'As rental for said farm, tools and equipment, NORTHERN FARMS, INC., shall pay to the undersigned fifty percent (50%) of the annual net operating profit, if any such be made by it in the farming of said farm. For the purpose of this lease, the net operating profit shall be considered to mean the proceeds from the sale of the crops produced on said farm during each crop year of the term hereof after deducting all costs and expenses incurred by NORTHERN FARMS, INC., in its organization, operation and maintenance, and the amount of all such organization, general administrative and overhead expense, shall be proportioned among all lessors of NORTHERN FARMS. INC. on a planted acreage basis, it being contemplated that NORTHERN FARMS, INC., will lease, maintain and operate other farms in addition to that covered by this lease. Operating costs and expense shall not include depreciation on said farm tools and equipment, county taxes, payment on outstanding real estate obligations, or payment on outstanding equipment obligations.

"Northern Farms, Inc., as a result of its loan application, obtained a loan of \$98,077.38. Northern Farms, Inc., as security for the repayment of this loan executed a chattel mortgage covering all of the crops on all of the twenty farms. Northern Farms, Inc., further executed an assignment of the proceeds of the sale of these mortgaged crops and the Nash-DeCamp Company was notified of the assignment and an acceptance of the assignment was executed by Mr. DeCamp, President of Northern Farms, Inc., and Vice President of Nash-DeCamp Company. The Nash-DeCamp Company, however, did not pay the proceeds from the sale of the crops to the Farm Security Administration but rather paid them to Northern Farms, Inc.

"The financial transactions and position of Northern Farms, Inc., is shown in these two statements submitted to the Farm Security Administration:

Northern Farms, Inc. Berkeley, Calif. OPERATIONS

### RECEIPTS

Proceeds Government Loan Proceeds Fruit Sales Proceeds State Gasoline Tax Refund	98,077.38 70,247.03 35.69
	168,360.10

### DISBURSEMENTS

Repaid on Government Los Growing & Harvesting Cos State Franchise Tax		166,342.91
Ralance	Cash on Hand	2.017.19

### FINANCIAL STATEMENT

## ASSETS

Cash in Bank, Net Due from (	trust	for	Japanese	Growers	2,017.19 6,591.44
					8,608.63

## LIABILITIES

Due to Japanese Growers (50% Credit Balances) Bills Payable to U.S. Government	2,017.19 6,591.44
	8,608.63

"Only five farms had a net operating profit. The \$2,017.19 cash on hand is 50% of the net profit on these five farms.

"It is the position of Northern Farms, Inc., that it is not the owner of these funds but that it is merely holding them for the citizens of Japanese ancestry. That is likewise the attitude of Mr. Russell Robinson of the War Relocation Authority. Other than the \$2,017.19, Northern Farms, Inc. has no assets whatsoever. "The Northern Farms, Inc., has submitted to the Farm Security Administration a detailed statement of its disbursements. No objection has been made to the manner of its disbursement of the proceeds of the Government loan and the proceeds of the crops. The Nash-DeCamp Company has not submitted a statement but no one believes that there has been any unlawful charges or disbursements made by the Nash-DeCamp Company. In view of this belief, and in that belief I concur as a result of my interview with Mr. DeCamp and Mr. Schnell, I believe that an action for an accounting on the part of the Nash-DeCamp Company would be fruitless.

"Northern Farms, Inc., will not pay the \$2,017.19 to the United States voluntarily. If an action is instituted for the foreclosure of the crop and chattel mortgage executed by the Northern Farms, Inc., in order to recover the undisbursed proceeds of the crops, that is, the \$2,017.19, Northern Farms, Inc., will seek to interplead as defendants the five evacuees to whom it asserts it owes these funds. The position of Northern Farms, Inc., is simply that it is a stakeholder. Inasmuch as Northern Farms, Inc., has no other assets a deficiency judgment would be uncollectible.

"The Farm Security Administration has asserted as its position, 'It is believed that the claim of the United States to these funds is paramount to the right of the Japanese because of the crop and chattel mortgage recorded for the Government. The United States was not a party to the leases and the loan was made on the entire acreage, without segregation according to individual parcels.'

"So far as I can ascertain, under California law a lessor does not have a lien upon growing crops and a chattel mortgage would ordinarily prevail over the lessor in action to apply the proceeds of the crops to repayment of the secured loan even though the rent had not been paid the lessor or sublessor. If the evacuees could be interpleaded, I do not believe that rule would be applied here, however, because of the relation that existed between the United States and the evacuated lessors. The United States evicted the lessors as a military measure. Before evacuation the United States arranged with Northern Farms, Inc., to lend money secured by a mortgage on the crops planted by the lessors about to be evacuated and required the submission of the leases between the evacuees and Northern Farms, Inc., before the loan was made. The United States thus knew that each lessor was to be paid as rent 50% of the net operating profit of his farm. These leases were part of a Government

caused, instituted and approved program. The United States owed the evacuated lessors, all of them citizens of the United States, a duty to protect their interests in their crops. The United States certainly would not be protecting the interest of the lessors if it asserts a right to the profits of the farms prior to that of the lessors and particularly if, as here, it asserts that the profits of these five farms be applied to the deficits suffered by the other lessors. I believe the United States would fail in a court of equity if the evacuees could be interpleaded." 18

In July of 1943, FSA filed claim of the United States against Northern Farms, Inc., for \$7,493.10 plus interest. The Attorney General, by letter of July 26, 1943, sent the case to the United States Attorney in San Francisco. This attorney interviewed Nash-DeCamp Company officers, the WRA Evacuee Property chief and the WRA regional attorney, two attorneys of the Department of Agriculture's Office of the Solicitor, and a representative of the regional office of Farm Security Administration. After conducting this investigation, the United States Attorney reported to the Attorney General in a letter dated August 31, 1943. The major part of that report is quoted above.

From August 31, 1943, until the spring of 1946, the present time of writing, this case has been under discussion among the Claims Division of the Department of Justice, the Farm Security Administration of the Department of Agriculture, and the War Relocation Authority. It is at this time still under discussion.

# Farm Management, Inc., of Sumner, Washington

Farm Management, Inc. was a variant among corporations set up to operate evacuee farms, in that it was not established within the framework of a shippers' or growers' company. Just prior to the evacuation a group of five men formed the corporation known as Farm Management, Inc., for the purpose of taking over operation of 36 parcels of evacuee farm land totaling about 300 acres and located in the Puyallup and White River Valleys in Pierce and King Counties. These farms had growing crops at the time when the corporation took over. Each of the individuals who formed the corporation invested \$100 in cash. The remainder of the capital required for operation of the farms was procured through FSA as a WFA loan, amounting to \$60,500. The agency took as security a mortgage on the crops and chattels. In accordance with the agreement between the corporation and the evacuee owners, Farm Management, Inc., upon procuring the loan, paid \$19,794.65 to the owners for their farm equipment and \$21.643.21 to the owners as a sum representing one-half of half value of the growing crops; the other half of the owners' share of 50 per cent of crop value was to be paid after the harvest.

In a report of November 9, 1942, to the regional director of WRA in San Francisco, Victor L. Furth of WRA's Evacuee Property Division states:

"The FSA mortgage is due on December 15, 1942, but there is not the slightest possibility of Farm Management, Inc., being able to pay its obligation to the evacuees and discharge the mortgage indebtedness by the due date. The evacuee's claim to their rental has been subordinated by Farm Management, Inc., to the loan made by FSA and it appears that the mortgage cannot be paid in full even if all assets of the corporation were liquidated in payment of the mortgage.

"Mr. Gerald DeGarmo of Seattle, the attorney for Farm Management, Inc., states that because of the belief that the mortgage will have to be paid on December 15, one premature garnishment action has been instituted by an attorney-infact representing three evacuee landlords, and other such actions are likely to follow. It is his opinion that if assurance were given that an extension of the mortgage could be granted, these garnishments could be eliminated. Mr. DeGarmo has stated that the corporation has sufficient cash on hand to make a substantial payment to the evacuees as well as to the Farm Security Administration; however, in order to pay out in full they would have to have the use of some of the funds in order to carry on their operations into next season. Both Farm Management, Incorporated, and the evacuee property supervisor in our Seattle field office believe that, given sufficient time, this corporation could meet all of its obligations and, if allowed to continue operations, would supply a very substantial quantity of food products vitally needed in the Seattle market. On the other hand, if they are forced into either voluntary or involuntary liquidation, the large number of evacuee-owned farms will be thrown out of production and it will be very difficult to secure other operators as well qualified as the corporation now farming these lands."

When the loan fell due, FSA took from Farm Management, Inc., all proceeds on hand, leaving the corporation no funds for disbursement to the evacuee owners as the balance due them on the price of the 1942 crops. FSA refused a loan to enable Farm Management, Inc., to operate the 36 farms in 1943, but the corporation was able to borrow \$67,000 from the Regional Agricultural Credit Corporation, the latter taking a mortgage on the 1943 crop as security. After the 1943 crop was harvested and disposed of, Farm Management, Inc., had enough money on hand to liquidate the Regional Agricultural Credit Corporation obligation but had nothing at all to apply on the debt to the evacuee owners.

In early 1944, being unable to obtain financing through either FSA or RACC or any private channel, Farm Management, Inc., filed a petition in bankruptcy, and early in the summer of 1944 the referee in bankruptcy ordered the sale of chattels of the corporation, realizing about \$12,000 therefrom. This sum was applied upon the FSA loan balance, but \$25,000 was still owing to FSA at the time when the bankruptcy court discharged the corporation in bankruptcy.

Some of the evacuee owners who had contracted for the sale of their crops to Farm Management, Inc., requested WRA to file claims for them in the bankruptcy court. This was done. A report of October 24, 1945, from the northwestern area office of WRA contains the facts of the later developments of this case.

"A typical illustration is William Shimasaki. His claim was in the amount of \$2,000 and was substantiated by a bill of sale given by him to Farm Management, Inc., covering the growing berry and vegetable crops to be harvested at the close of the 1942 season. The crops were purchased by the corporation for \$4,000, half of which was received in cash by Shimasaki from the proceeds of the WCCA /WFA/ loan to the corporation. On October 10, 1944, WRA filed with O. M. Pitzen, referee in bankruptcy for the district court of the United States for the western district of Washington, Shimasaki's claim for \$2,000. Shortly thereafter a final meeting of creditors was held. Inasmuch as the liquidation of the chattels of the corporation amounted to only about \$12,000, no claims other than the claim of WCCA /FSA/ were allowed. The bankruptcy court awarded all the proceeds to the government, and the corporation was discharged in bankruptcy as previously indicated." 19

## The Nishimoto\* Farm in San Joaquin County, California

At the time of the evacuation, Charles Nishimoto and his sister Sally leased their 694-acre farm to a tenant for a period of three years, the lease calling for a cash rent of \$9,000 for 1942 and \$10,000 for each of the remaining two years. The tenant procured a WFA loan of \$22,050 through FSA. Of this sum, \$16,000 was allotted to the purchase of farm machinery and equipment while the remainder was obtained to cover the cost of growing and harvesting 300 acres of tomatoes. As usual, FSA took a crop and chattel mortgage as security. The tenant stated to WRA officials that he knew that he could not possibly repay

<sup>\*</sup> The names are fictitious.

the Government loan in one year and had made that condition plain to the FSA representative. The latter assured the tenant at the time when the mortgage was being arranged that rent due the Nishimotos would be released from the crop returns at each period when rent was due and payable, and, according to the tenant, the same representative promised that the loan, although made for a term of one year, would nevertheless be renewable from year to year if the tenant required this assistance during the term of the lease.

In the fall of 1942 the tenant called at the San Francisco office of WRA to lay his problems before the Evacuee Property Division.
Because of an acute labor shortage, he had not been able to harvest his
entire crop and so had not realized the returns which he had anticipated.
FSA had notified him that in view of the impending default in the payment of his loan, no release for the payment of rent to the evacuee
owners could be approved. He had called at the regional office of FSA
and was warned that if he did not pay the loan in full on the maturity
date, the chattel mortgage would be foreclosed.

Since the interests of evacuee owners were involved in this matter, WRA conferred with FSA. The loan was not due until early in 1943. The tenant, if he were given assurance that he could continue to farm the land in 1943, was prepared to plant fall crops which were badly needed in the market. However, in the face of FSA's announced determination to seize and dispose of his chattels to make up the deficit in his payment of the loan before these crops could be harvested, he had little incentive to go ahead with his fall planting. The evacuee property division representative from WRA, after discussing the problem with FSA, reported as follows:

"\* \* The Farm Security Administration states that, under what they consider a sound collection program, payment of the loan should be required this year because there is security available with which to pay it. They contend that if an additional year were granted and next year's operations, because of labor difficulties or some other factor, should prove unprofitable, they would then have a smaller chance of being paid out in full and would be subject to criticism for not having collected when there was opportunity." 20

Farm Security Administration proceeded to foreclose, appropriating all farm machinery and equipment on the land. The Nishimotos, having relocated and settled down to farming in Michigan, decided that they would not return to California when and if the exclusion orders were revoked. Real estate agents and the Bank of America began to show interest in the Nishimoto land. An undated report of the summer of 1944 from the evacuee property supervisor of WRA's Sacramento office to his chief in San Francisco contains the information:

"\* \* you mentioned that \* \* \* / The manager for the Reclamation district in which the Nishimoto property is located/ called on you at San Francisco, and stated that it would be impossible for the \* \* \* / Nishimotos/ to carry on and pay fixed charges with a rental of \$10,000.00 per year, and that it would probably be possible to sell the holdings for approximately \$125,000.00. You further inquired if this office had received any requests from the \* \* \* / Nishimotos/ to assist them in any way with their property, located near Manteca. We informed you that we have had no such requests.

"We discussed the present market value of this property, and it was our opinion that this property was worth considerably more than the figure mentioned by \* \* \* / the manager of the Reclamation district/. It was our impression that the total Federal land bank loan made on this property, was for the purpose of paying off the assessment on the Reclamation district, and it was suggested that you have Mr. Furth contact the Federal Land Bank for a verification of this, and also, if possible, obtain the appraised value of this property when the land bank loan was made."

The Sacramento evacuee property office got in touch with Mr. Nishimoto and was requested by him to place the farm on the market. Accordingly, in December of 1944, the property was listed with several real estate firms in San Francisco and in Stockton. Letters describing the property were sent to agents and interested individuals. Typical of these is one to the manager of the Bank of America, Santa Maria, California:

"\* \* \* the property in question consists of parts of sections 26, 27, 34, and 35, T. 2 S.R. 6E., and is located eight miles southwest of Manteca on the Durham Ferry Road at a point where the San Joaquin River makes a long horse-shoe turn and the property lies within this turn.

"The gross acreage is 694.27 acres. Of this amount approximately 500 acres lie within the levies of the Reclamation district known as McMullin Reclamation District No. 2075, and approximately 195 acres are outside the levy without boundary lines, going to the center of the San Joaquin River.

"The soils of this property are Hanford sandy loam and Hanford fine sandy loam. The sandy loam is adaptable to seed crops, carrots, beans and potatoes. The Federal land

bank had a loan on this property for approximately \$60,000.00. There is no bonded indebtedness. The property has been leased for the past several years for \$10,000.00 per year, cash rental. The only improvements on the property are a small dwelling and several tool sheds. There is no equipment that goes with the property.

"The owners are \* \* \* / Charles and Sally Nishimoto, who are now located in Michigan, and have requested this office to help them in the disposition or sale of this property. Undoubtedly you have prospects in view who would be interested in the purchase of this property, which can be shown at any time. The full price of the property including the commission of 5% and escrow and title charges is \$135,000.00."

On May 16, 1945, a letter from the Sacramento office of WRA to Mr. Nishimoto reads:

"As for your ranch property, may we advise that up to the present time we have not received any encouraging possibilities of disposing of it for the holding price. We firmly believe your asking price is in line compared to the way properties have been selling. We have had any number of inquiries, but after they have made an investigation they inform us that they are not interested primarily on account of flood hazards.

"It is my personal opinion that someone in that area is knocking the place. It may be possible to dispose of it, as suggested in your letter, by subdividing it into smaller tracts, but before doing this it may be well for you to make another visit to the area and talk this possibility over first hand with \* \* \* / the manager of the Reclamation district?."

On June 28, 1945, the Sacramento office wrote to Mr. Nishimoto:

"This will acknowledge your letter of June 24 with reference to the sale of your property near Esparta /another small town close to the property/.

"Me immediately contacted \* \* \* / The manager of the Reclamation district/ \* \* \* on the telphone and were advised that he had a purchaser willing to pay \$100,000 cash for your ranch, and it was his opinion that it would be impossible to obtain any more at the present time.

"In the past three months we have had three people who thought they might be interested in handling this property but after investigation they all were fearful of the flood hazard, and for this reason would not carry on any further negotiations.

"I personally believe that the property is worth more than the above offer, but due to the Federal land bank's attitude, I do not wish to advise you one way or the other. I firmly believe that if you were here farming the property as you did in the past, the ranch would pay large dividends on a \$100,000 investment.

"\* \* \* / The manager of the Reclamation district / was of the opinion that it would be possible to realize a few thousand dollars more if the place was to be subdivided. On the other hand, the cost of surveying and subdividing would nearly offset the extra money and eventually you would be left with only that part outside the levee which would be very difficult to dispose of.

"Knowing that this ranch has meant a very large investment to you I hate to see you dispose of it at such a
loss. If it were possible for you to gather up a crew of
evacuees and had enough finances to purchase the necessary
equipment, I am positive that you and your associates
would make enough money in the next four or five years to
place your land bank loan in a current position.

#### \*\*\*\*\*\*\*\*\*\*\*\*\*

"If you decide to make the sale through Mr. Perrin's suggestions, kindly advise this office in order that we may be informed of the proposition."

The latest official word on the Nishimoto case reached Washington by teletype from Sacramento, dated February 25, 1946. The Nishimotos had returned to California in the latter half of 1945. They sold their ranch for \$100,000, a sum that netted them \$30,000 above their indebtedness. With this capital they purchased a three-story building in Stockton, in which they are operating a hotel and two shops. According to the report Mr. Nishimoto professes that he is "satisfied with the entire deal."

## REGULATIONS AND PROCEDURES GOVERNING WRA'S HANDLING OF EVACUEE PROPERTY

Having operated the evacuee property program under a tentative policy for nearly five months after assuming the responsibility, the Authority established a formal policy in January of 1943, spelling out in detail regulations and procedures in Administrative Instruction No. 77, and setting up a system for handling movable property in Administrative Instruction No. 78, both instructions being ussued on January 23.

Executive Order No. 9102, which created the "ar Relocation Authority authorized the Director to "provide for the needs" of evacuated persons "in such manner as may be appropriate," and to assist them in the "management and disposal of their property." The wording of the instructions in regard to evacuee property reflects the thinking of mid-March, when agencies holding responsibility for safeguarding the interests of evacuated persons thought in terms of disposal and liquidation rather than in terms of preservation. By the time when WRA assumed responsibility for evacuee property, the losses sustained by the evacuees in consequence of hasty liquidation of their assets were obvious enough to make the Authority aware of its obligation to safeguard and preserve what was left in the way of tangible assets.

The objective of WRA in this matter was to make available every type of assistance which an evacuee required—and requested. The Authority did not solicit business but stood ready to serve. The kinds of service available were publicized at the centers, and a steadily increasing number of people turned to the Authority for help with property problems. The general policy statement contained in Administrative Instruction No. 77 read:

"\* \* \* it is to be remembered that the Authority operates only as an intermediary \* \* \* Therefore in no case shall any representative of the Authority direct what action any evacuee shall take with reference to his property problems, the duty of such representative being to furnish such advice and information as may be requested by the evacuee. and to help the evacuee to put into operation such decisions with reference to the lawful disposition of his property as are arrived at by the evacuee of his own free will. In addition \* \* \* the decisions thus reached by the evacuee shall not actually be put into operation by any representative of the Authority, but by a real estate agent, a bank, an accountant, an attorney, or other person in private business or profession, of the evacuee's own choosing, liaison between such person and the evacuee being provided by the Authority as requested by the evacuee.

"The office will make investigations, reply to inquiries, assist in handling problems of management, operation and disposition of real and personal property, aid in settling claims held by evacuees, and assist prospective purchasers, lessees, managers, agents, and others in contacting evacuees.

"It shall be part of the basic policy of the Evacuee Property Office that so far as possible and except only as otherwise specifically set forth in this Administrative Instruction, it shall serve not as substitute owner, director, or operator of the property involved, but in an investigational, informational, and advisory capacity, and as an intermediary and negotiator between the evacuee and other persons or companies whom the evacuee shall choose to act for him, represent him, operate his property, or lease or purchase from him.

"As a corollary of this basic policy it follows that the acceptance or rejection of the services of a real estate agent, a bank, an attorney, etc., and in fact of the services of the Authority, shall be for the evacuee himself to determine in all cases. Likewise the evacuee shall always make the decision as to acceptance or rejection of a given course of action (e.g., whether his property should be leased or sold, whether goods should be stored or disposed of, whether a given price should be accepted or rejected) with respect to all of his property to which he has lawful right. In all cases it shall be the function of the office to ascertain the facts, and to make available as many practical alternatives as possible, in order that the evacuee may be aided in reaching an intelligent conclusion: but the advice of any representative of the office shall be given only when specifically requested and then only upon making clear to the evacuee that the advice is not a direction and that the evacuee is free to disregard it."

WRA at no time served as a loan agency; as a short-lived war agency it was not prepared to cope with the problems of collections which might endure over a period beyond the life of the agency. However, the Authority established contacts which made it possible for the Nisei to get loans on the same basis as other citizens.

Freezing power was delegated to the Director of WRA by the Secretary of the Treasury but was never exercised by the Director. While judicious exercise of the freezing power in the period immediately before the evacuation took place might well have prevented heavy losses, the use of such power upon the property of United States citizens—even citizens

who were currently suspect because of their racial affiliation with the enemy—was considered a dangerous proceeding. It was recognized that the use of such power to interfere with any property owner's right to dispose of his own property as he saw fit could well throw a property—minded nation into a panic, because what had been done before could be done again; a government that used freezing power to prevent a citizen of Japanese ancestry from selling his property at a loss would be establishing a precedent which might lead to Federal action to prevent a citizen of Irish ancestry from selling his property at a gain.

#### Legal Aid to Evacuees

General government policy and practical consideration of the effect upon public relations, to say nothing of budgetary limitations, made it infeasible for WRA attorneys to represent evacuee clients in courts. Government attorneys, with the exception of those in the Department of Justice do not appear in court; court litigation is handled by the Department of Justice. Had it been decided that WRA should provide the evacuees with free representation in court, the Authority would have had to persuade United States attorneys to assume a heavy burden of cases--recognizing the fact that free service invites heavy demands--or accept a delegation of such responsibilities for its own attorneys. the latter and more probable event, in order to handle the case load, WRA would have needed a prodigious staff of lawyers and unlimited travel funds. Assuming that these suggested obstacles could have been overcome, there would have been a serious disruption of public relations had the United States Government attorneys represented the evacuees, free of charge, in local courts of the far west, when local, private attorneys might reasonably be expected to handle such cases.

Thus it was determined early that evacuees should have free legal advice from WRA project attorneys and that it should be a responsibility of WRA to make available to the evacuees the services of private lawyers who would agree to represent the evacuees for a reasonable fee.

As early as May of 1942 the Special Bill of Rights Committee of the American Bar Association was displaying an interest in problems connected with the evacuation, and in a letter of August 6, 1942, Mr. Ross L. Malone, Jr., of the committee, made specific suggestions and recommendations to the Director of WRA; among them, and based on the assumption that WRA acted as a receiver of property for the evacuees, was the suggestion that the Government receiver should bring court proceedings to set aside unfair sales for those Japanese who were willing and able to repay the purchase price which they had received for their property. The Solicitor of WRA replied by letter of September 14, 1942, explaining that neither WRA nor any other Government agency was in a position to serve as receiver and describing what services WRA was prepared to provide. In the course of the letter the Solicitor advanced a plan which was to prove

of decided benefit to evacuees whose problems required court action:

"Your letter precipitates a question concerning which I was planning to write you in the near future. In connection with the work of the Evacuee Property Division I have been planning to ask the American Bar Association and the National Lawyers Guild to work with the War Relocation Authority in the organization of a panel of attorneys in private practice in each relatively large city and town on the West Coast to whom the Evacuee Property Division may refer cases arising out of the work of that division which require the institution of private suit by evacuees, or which otherwise require the services of a private attorney. We are hopeful that the public service nature of these cases will induce the members of such panels to handle such referred cases on the basis of an agreed schedule of low but reasonable fees. I should be glad to get your tentative reaction to this suggestion and hope to be able to discuss it with you further when our plans are a little further developed."

Throughout the first half of the calendar year of 1943, the San Francisco field office worked closely with the California Bar Association to establish an attorney referral system in California, which would permit evacuees needing legal assistance from lawyers in private practice to get qualified attorneys at a reasonable fee. Letters were sent to a large number of lawyers who had evidenced interest in war work and problems arising from the evacuation. Panels were composed of lawyers who were qualified in the different fields of litigation to which evacuee problems had reference and who were willing to represent the legal interests of the evacuees under an agreed-upon fee schedule which took into account the impaired financial status of most evacuees. Furthermore, a system for rotation of names on the panel was inaugurated so that the evacuees might exercise the privilege of personal selection. At no time was any evacuee discouraged from making his own arrangements with any private attorney he might know or care to use, but the referral system was operative in California for those evacuees who needed and cared to use it. On August 5, 1943, formal regulations governing the operation of the attorney referral system were issued by the Authority as Manual Release 50.4.

These regulations provided for the needs of any evacuee who was unable to pay for the services of an attorney in accordance with the fee schedule, if it appeared that the attorney representing the evacuee could not collect the fee out of the probable proceeds of the case. In such an instance the evacuee made an affidavit clearly setting forth his lack of assets and the facts which demonstrated his inability to pay an attorney, whereupon the project attorney made recommendations in his behalf to the free legal clinic in or nearest to the area in which the services were required.

The referral system did not materialize in Oregon or Washington, but groups of qualified lawyers who were interested in assisting evacuee owners at a moderate fee were located and identified to the evacuees by officials of the evacuee property offices within those states. WRA attorneys have been under obligation throughout the program to cooperate with and provide essential information to such attorneys as have represented the evacuees in court.

# Adaptations of Procedures for Property Supervision to the Various Phases of the Relocation Program

As has been true of the course of every other feature of the WRA program, so in the case of evacuee property provisions, basic regulations were established, then reshaped, liberalized, embellished—or sometimes curtailed—according to the recognized needs of the evacuees and of the over-all program at specific periods.

The basic obligations of WRA in dealing with evacuee property were two in number: (1) to assist the evacuees to reestablish themselves outside the prohibited area, first in some one of the WRA centers and thence in normal life and work at some point outside a center; and, (2) to give the evacuees all possible assistance in connection with their properties and holdings in the Pacific Coastal area from which they were excluded by military order.

As time passed, changes occurring within the agency or changes superimposed upon the agency by forces and factors external to it necessitated alterations, usually amplifications, of the services included in WRA's evacuee property program. Major events which occurred within the lifetime of the Authority and which resulted in alterations in procedures and regulations governing the evacuee property program were, in chronological order:

- The adoption by WRA of a leave program under which any citizen or alien of Japanese descent against whom the federal intelligence agencies had no count could reestablish himself in private life outside the prohibited area;
- The reopening of United States military service to the Nisei;
- 3. The segregation of those evacuees who stated that their future interests lay with Japan rather than with the United States:
- 4. The revocation of the mass exclusion orders by the War Department together with the Western Defense Command's

designation of individual evacuees for continued exclusion from the military areas of the Pacific Coast;

- 5. The termination of hostilities with Japan;
- 6. The scheduled closing of the relocation centers.

The basic leave regulations were effective October 1, 1942, but because leave clearance procedures were at first time-consuming and cumbersome, and also because the Authority's public information campaign to clear away myths and rumors and general uninformed prejudice in relation to the Japanese American people had not yet produced perceptible results, the relocation of evacuees to private life was inconsiderable for the first fifteen months of the program—although the movement out of the centers was gaining momentum by the close of 1943.

Until 1944 adjustments of the evacuee property regulations to the relocation program were minor. That they were so is best explained in terms of the kind of people who relocated during the first year of progress toward the Authority's objective of emptying the centers. During the first year of the established leave program, the vast majority of the people who left the centers to resume the privileges and responsibilities of American life were the young and unattached; they were a pioneer group upon whose success or failure in adjustment to the complex living conditions and pressures of wartime the relocation of family groups and older people depended.

During 1943 regulations on transportation of evacuee household a and personal property permitted one move at Government expense in addition to the move from private to Government storage. That is, an evacuee could ask to have his goods picked up by the Government and placed for safekeeping in a WRA warehouse; he could ask to have his goods, or part of them, sent to him at the center from the warehouse. If that request had been made and his goods delivered to him at the center, he could not have this assortment of possessions moved free of charge to his relocation destination. However, regulations permitted him to have personal and household effects totaling not more than 500 pounds sent to his relocation destination free of charge. Of course, if an evacuee had left his household things and extra clothing in a WRA warehouse on the West Coast for the duration of his stay in a relocation center, then he still had the privilege of having the whole lot shipped to his new establishment free of charge when he relocated. Since the pioneers in relocation were the young and unattached, the 500-pound limitation proved no particular obstacle to their resettlement even if they had exhausted their one unlimited move privilege.

By the close of the year several factors made it feasible for WRA to begin urging the Issei and family groups to leave the isolated and unnatural world of the centers, with the result that policies and

procedures were altered in 1944 to accommodate the needs of the older people with family responsibilities.

However, even though regulations concerning the moving of property were fairly stable, the Evacuee Property Office, in common with all Divisions of WRA, experienced the turbulence and the pressures to which the Authority was subjected throughout the year of 1943.

West Coast racist groups of long standing who had pressured for evacuation and had been vociferous in their approval of the Western Defense Command's conduct in ordering and carrying out the evacuation of all persons of Japanese ancestry from the coastal region were bitterly opposed to the relocation program and to the Government agency which had been charged with the obligation to relocate 110,000 people in orderly fashion. No sooner had the racists learned that evacuees were being processed out of what the former had hoped would be duration detention camps than the outcry against WRA began. Resolutions were forwarded to Congress to prohibit the release of Japanese Americans, to urge legislation that would deprive the Nisei of their citizenship and allow mass deportation of the minority at the end of the war. On the West Coast new super-patriotic pressure groups were born to crusade against the return of the exiled residents at any time. The Hearst press and the McClatchy press reported invention as fact and carried the banner for for the racists in this new upsurge of fanatic prejudice.

On January 28, 1943, the War Department opened the armed forces to Nisei volunteers for the formation of a segregated combat team. The restoration to the Nisei of the privilege of offering their lives in defense of their country and so of demonstrating in unassailable fashion their loyalty enraged the racebaiters still further, especially as liberal presses throughout the country applauded the move.

The year of 1943 was a year of investigations, official and unofficial, beginning with the Senate Military Affairs Committee in January and soon including the Dies Subcommittee, the latter having employed an investigator given to releasing conclusions to the press before there were any findings. In January the McClatchy press in California launched a campaign for the seizure of Japanese-owned motor vehicles and farm equipment which inspired a senator of the State Legislature who was chairman of the legislature's committee on un-American activities to authorize an investigation of the stored-vehicle situation that eventually became a Dies-ian sort of investigation of the over-all activities of WRA; whether investigation of the total program of a Federal agency is a legitimate function of a state legislature committee was a question which apparently did not occur to the members of the Tenny committee.

The McClatchy Bee papers published in Sacramento and Fresno both ran a long article on January 28, 1943, in which it was charged that from "20.000 to 25.000 Japanese-owned automobiles and trucks equipped with prewar grade tires in good condition are believed to be stored for the duration of the war in public and private garages" when "OPA investigators \* \* \* found two buildings in West Fresno owned by Nipponese" which "housed more than 100 cars in excellent condition all belonging to the Japanese, and the cars are not for sale \* \* \*. When the war is over and the coast states Japanese are permitted to resume their former residences, they can start motoring again on practically new rubber, while the balance of the state's auto owners will have to get by on the scrap rubber tires they have been saying and wearing out during the war \* \* \* the tires are useless on the stored automobiles, and that is the way the Japanese want them, until the war is over." The following day the story appeared in the Hearst papers of San Francisco and Los Angeles and also in the San Francisco Chronicle. The San Joaquin Federal clubwomen requested the War Department by letter to distribute Japanese-owned farm implements "to white farmers who can use them now to win the war." San Francisco Examiner, February 5, 19437. Congressman Gearhart of Fresno told the press that "federal agencies should formulate plans to acquire thousands of motor vehicles and pieces of farm equipment stored by Japanese removed from California." /Los Angeles Times, February 2, 1943. In the House of Representatives the same Congressman "criticized Rubber Czar William Jeffers for failing to utilize an estimated 100,000 serviceable tires on Japanese-owned automobiles and trucks now in storage," and "announced he is calling on Jeffers to take immediate action looking to the release of the tires." /Fresno Bee, Sacramento Bee, February 1. 1943/.

In Salinas an incident of that period revealed itself as being typical of the relation between charges and the facts in this whole upheaval about idle, Japanese-owned farm equipment in the Coastal States.

On January 26, 1943, Fred S. McCarger, Secretary of the Salinas Chamber of Commerce addressed Senator Downey of California as follows:

"It is estimated that there are 500 pieces of Japaneseowned farm equipment stored in this Valley. This machinery has been used to farm the Salinas Valley and there is no new machinery available to take its place. Something should be done to release it for use if the land is to get the maximum production for the War Effort.

"The Salinas Chamber of Commerce, cooperating with the American Legion and the Monterey County Farm Bureau respectfully request your assistance."

As a result of this letter the WRA evacuee property supervisor for the area which included the Salinas Valley conducted a survey and made a report to his chief, dated February 9, 1943.

(77)

"This is a report on a survey made in the Salinas Valley. to locate the reported 500 pieces of stored Japanese equipment. This report on the equipment came as a result of a resolution passed by the King City American Legion and also from a letter sent to Senator Sheridan Downey by Mr. Fred McCarger, Secretary of the Salinas Chamber of Commerce. This letter was sent on the recommendation of a group which met as a result of receiving the resolution from the King City American Legion. This group was composed of Mr. McCarger, Frank Cornell, Fred Heart and others.

"This survey took in the towns of the Salinas Valley, including Salinas, Watsonville, Soledad and King City; also the town of Hollister and vicinity, Gilroy and vicinity and San Jose and vicinity.

"My first contact was with Mr. McCarger. I asked him who had definite knowledge as to where this purported stored machinery was. He stated that he did not know of the location of it: that they had sent their letter on the basis of the resolution submitted by the King City American Legion. Mr. McCarger suggested I contact Mr. Frank Cornell, of the Cornell Tractor and Equipment Company, as Mr. Cornell seemed to have more definite knowledge as to where it was stored. This company has branch offices in Watsonville and Soledad. When I talked to Mr. Cornell, he stated he did not have actual knowledge as to where any machinery was located, but that a list had been prepared by his manager, Mr. Lee Johnson, of the Japanese with whom they had contact. This list included machinery that had been sold or turned over to other operators on a loan or lease basis. It appeared that all had been either sold or leased, but that there were a few cases in which they were in doubt and believed the machinery was stored there. This list was made available to us. Mr. Cornell took the attitude that this equipment, which was not sold, was probably not in service, or, if it was, it was not used to its fullest extent. He then went into a discussion on how he had heard from reliable reports, as he put it, that in Southern California there was quite a large amount of stored machinery. In going over the list with Mr. Johnson, he checked the names of those who, he believed, might have equipment stored, and from this list I found that a Mr. E. M. Juhler had one Caterpillar Tractor Number 22, two John Deere listers; another farmer had a 10-foot ring roller which was new, and one 6-foot Killifer chisel."

In fact, a thorough investigation, in the course of which the property supervisor checked with 30 prominent men in the valley—in addition to the ones previously mentioned—among whom were bankers, farmers, business men engaged in marketing produce or selling or buying farm machinery, the chairman of the County War Board, and the County Agricultural Supervisor, resulted in the location of not 500 pieces of idle farm equipment, but five.

The WRA representative's report concludes:

"Before leaving Salinas I had an interview again with Mr. McCarger. He was entirely satisfied with the contacts and stated that he thought that it was a complete and thorough survey. He then sent, in my presence a telegram to Senator Sheridan Downey which read as follows:

'War Relocation Representatives have cooperated with us and we have made thorough survey of valley and find very little Japanese owned farm machinery not being used and that not being used is in process of negotiations to be used. Probably information originated with people who are anti-Japanese returning to this territory. That feeling growing in this district. Will you notify other members of the Senate.

Salinas Chamber of Commerce /s/ Fred McCarger.

"There were many other contacts made on this trip, but no one could give me any information or had no knowledge of where any equipment had been stored." 22

In the spring the Federal Government initiated action to permit the acquisition by eminent domain of idle farm equipment. To be able to inform the United States Department of Agriculture State and County War Boards (which agencies administered the regulation) what evacuee—owned farm machinery existed and where it was, WRA's Property Division compiled and forwarded to the War Boards by the end of June, 35 separate inventories.

In July an informal understanding was reached between the Evacuee Property Office and the California State War Board regarding procedure for requisitioning idle farm machinery. The county war boards, after that time, furnished WRA with a copy of each letter making a purchase offer to an evacuee owner of idle equipment. The Evacuee Property Office then communicated with the evacuee, cautioning him that he had only 10 days in which to reply to the offer or have his property requisitioned.

It was the practice of the State War Board to withhold action until receiving word from the Evacuee Property Office. When WRA was able to certify that an evacuee owner had been granted leave and was negotiating a farm lease or purchase elsewhere in the United States, the State War Board granted an extension of time in which the evacuee could apply for approval of the war board in the county of his relocation, which would then recommend cancellation of the requisition. At the close of 1943, evacuee owned farm machinery had been requisitioned in only 38 instances. 23

## Property Problems Arising from the Segregation Program

In the early fall of 1943 WRA carried out a program to segregate those evacuees who by word or action had indicated that their loyalties lay with Japan from those who considered themselves Americans. Tule Lake Relocation Center was cleared of most of that part of its population which was relocatable and converted into a segregation center. Every effort was made to persuade the Tuleans of good record to relocate rather than to transfer to another relocation center. Those who relocated from Tule Lake at this time were granted free transportation of all their household goods and personal possessions, free of charge, regardless of whether they had had one movement of their goods previously. In spite of this inducement, only a few hundred relocated from Tule at that time. However, the segregation movements taxed the resources of the Evacuee Property Office to the limit.

Between mid-September and mid-October of 1943, 33 train trips transported 14,825 persons, 6,250 of them from Tule Lake to other centers and 8,575 to Tule Lake from other centers. This transfer of thousands of people required transfer of their household goods. At the same time steadily increasing numbers of evacuees were relocating and needing their household goods and other equipment in their new homes, which might be anywhere from the California state line to the Atlantic coast, or from the Canadian border to the Mexican border. During the latter half of 1943 alone, a total of 1,531 requests for storage and of 3,227 requests for shipment were received from centers and processed through the San Francisco headquarters of the evacuee property field offices—these figures representing the needs of relocating people, not of those transferring from or to Tule Lake.

During the segregation movements, the Transportation Section of Evacuee Property was made responsible for the handling of all matters relating to segregation program freight shipments; men were detailed to the centers from the field offices to assist in the handling of the personal property to be transferred. The Tule Lake center completed its outbound shipment of freight in September by forwarding 51 carloads of household goods and 10 carloads of excess baggage which could not be moved in the baggage cars that accompanied the passenger trains. By

the end of November, 59 cars of household goods had been received at the segregation center from the relocation centers. In all, more than 4,700,000 pounds of freight were moved at this time, in connection with the segregation program.

The year 1943 saw the beginning of an exhaustive land ownership field survey made by the evacuee property field offices throughout the evacuated area. This survey was painstakingly thorough, and when it was completed, in 1945, WRA field men had searched the County Recorder's records in every county in the evacuated area, making a record of any property owned by persons whose name indicated Japanese origin. All parcels of evacuee—owned land were thus identified, classified, cataloged, and mapped. The survey was of immediate value to the work of the Evacuee Property Office, but it was realized that its major use might well be to the Government in connection with postwar claims and damage suits. The figures shown by the survey are set forth below:

Number	of Holdings within the	e Evacuated Area,	1943-1945
	No. of Counties	Urban	Rural
STATE	with J. Holdings	Holdings	Holdings
California	39	3,267	1,715
Oregon	2	93	130
Washington	3	382	201
TOTALS	44	3,742	2,046

On October 22, 1943, the War Department issued its first press release on the performance of the Japanese American 100th Infantry Battalion in action in the Italian campaign. From that time on, the Nisei in United States Army uniform, fighting in Europe continued to mount up honors and casualties, till they were the most decorated and cited unit in the armed forces, and probably one of the most publicized. Their performance had the effect, not instantaneously but gradually, of quieting the voices of all but the most rabid of the American racebaiters, and of enlarging materially the ranks of the forces of good will that were determined to see that the families of Nisei fighters were accepted as full Americans. Furthermore their performance persuaded the War Department to restore Selective Service to the Nisei, who after March 31, 1942, had been classed 4-C by the Selective Service Boards. Restoration of the privilege of being processed on individual qualifications rather than on a racial basis was made by the War Department on January 20, 1944.

Improvement of public opinion concerning the character of the Japanese Americans and steadily diminishing reserves of manpower for the nation's industry favored the relocation program of WRA throughout the year of 1944. During this year the program was geared to encourage the older people and families to leave the centers and resume independent life and work. From January 18 to 20 an evacuee property conference was

held in San Francisco. Representatives from Washington, attorneys and property officers from the centers, transportation and property supervisors from the area offices, and the personnel of the San Francisco office discussed the needs and problems of the period, and measures were agreed upon to improve property services to the evacuees. Exchange of visits of property and transportation officers between the West Coast offices and the centers was authorized; more thorough investigation, reporting and documenting of cases of fraud, vandalism, pilferage, fire damage and serious management lapses were urged upon property supervisors in the evacuated area: transportation procedures were amended to permit the cost of packing and crating evacuee property at the projects, and the 500-pound limitation on personal property shipments to points of relocation was eliminated, as of March 4, 1944. At the same time a new provision allowed the free transportation of 5,000 pounds of fixtures, equipment, machinery or tools necessary to business enterprise whenever a family was unable to procure such equipment in the area of relocation.

The closing of Jerome Relocation Center in Arkansas on June 30, 1944, involving the movement of 5,707 people with their household and personal possessions during the month of June, necessitated the shipping of 43 freight car loads of property to one or another of three distant centers which received the greater part of the Jerome population and 557 truckloads to the nearby Rohwer Relocation Center, which accommodated 2,514 of the transfer cases. 24

On December 17, 1944, the War Department announced the revocation of the mass exclusion orders, effective January 2, 1945. The Western Defense Command substituted for the mass exclusion orders a system by which it could designate individuals for exclusion from the coastal area or for continued detention by the Department of Justice. With the mass of the Japanese American minority free to return to the West Coast, Director Dillon S. Myer announced that all relocation centers would close not earlier than six months, and not later than one year, after the effective date of revocation.

The return of the evacuees to the West Coast and the liquidation of the Authority presented numerous problems to the Evacuee Property Office of WRA. Once the ban was lifted, there was a marked falling away in property sales. Few sales were consummated in 1945 except those which had been determined before the revocation announcement and those requested by evacuees who had decided to continue life away from the Pacific Coast. In the matter of leases, whether of agricultural, commercial or residence property, the problem changed suddenly from a responsibility to procure substitute operators to an obligation to dislodge those substitute operators so that the owners could take over. A substantial number of the substitute operators showed the greatest disinclination to be dislodged. Many hastily drawn up leases dating from the spring of 1942 contained the clause "for the duration"—not even indicating to what the duration referred; others carried the even more ambiguous wording "for the duration of hostilities," and permitted the tenant to hold

out for the termination of hostilities with Japan. "Duration of the war" offered an out because it could be interpreted to include the period following the cessation of hostilities and prolonged until the President should make official declaration that the state of national emergency no longer existed. Any lease which set the termination date at the termination of the exclusion of the owner was as rare as it was convenient.

Increasing the natural reluctance of people to move themselves and their possessions were two factors, both predicated by the war. The great influx of defense workers resulting from the mushrooming war industries on the Pacific Coast had created an extraordinarily severe housing problem in all the cities and most of the larger towns of the three coastal states. Defense workers had poured into the living quarters of former Japanese districts throughout the coastal area; when the evacuees began to stream back, they found the tenants determined to keep such shelter as they had and given to taking refuge in any technicality which would allow them to stave off the day of departure. In rural areas the evacuation of the Japanese Americans had created a vacuum which had sucked in another group of dislocated people, the refugees from the Dust Bowl states who for years had wandered the "est Coast, an insecure, unpopular migratory people. Farmers without land, as these refugees were up to the time of the evacuation, they became in many instances the logical substitute operators of Japanese-owned farms. Wartime profits from farm produce rose steadily. People who had known the extreme of poverty and insecurity were suddenly prosperous; the means of their prosperity was the land owned or leased by the excluded Japanese. It was understandable that many of these substitute operators were loath to give up so profitable a venture simply because the owner of the land or leases was free to resume operations.

Complex and time consuming as problems involving leaseholds, adhesive tenants, evictions, and misunderstandings arising from informal oral agreements were during the final period of WRA operations, the Evacuee Property Office's heaviest labor was that of clearing Government warehouses, both on the West Coast and in the centers, of evacuee household goods and equipment.

Approximately 115,000 people were evacuated. On January 1, 1945, 79,763 of them remained in the centers; roughly 35,000 had relocated to points outside the exclusion area. Those who had relocated in all probability had goods stored in a coast warehouse and other possessions stored in center warehouses. Once in the centers, the evacuees commonly requested that certain items which would fit into the limited space of a barrack apartment should be shipped to them. Sometimes, because of too great a similarity in names, a family wanting nothing shipped would have all their household possessions unexpectedly deposited in the center. The head of the family might have been Mr. Saburu Yamamoto, who in preevacuation days was a prosperous businessman with a ten room home. It

had happened that Mr. Satoru Yamamoto, who had lived less amply in a threeroom house before the evacuation, had sent in a request to have all his worldly goods sent to the center for his family's comfort. The simplest thing for Mr. Saburu Yamamoto to do was to have his unwanted belongings stored in a center warehouse. Later he relocated to New York City, where he did well to find a three-room apartment. He asked to have certain items from his household furnishings sent to him in New York. The remainder stayed in the center warehouse. The evacuees who had lived continuously in the centers were most likely to have selected items sent from the West Coast to the center. They often found that they had not room in their quarters to accommodate their possessions. The surplus was put in a center warehouse. Others made furniture, and if the venture were successful, tended to retire older pieces to the warehouses to make room for the new. The evacuees, like other people, tended to accumulate possessions. The following table indicates the gross weight in pounds of evacuee possessions of the spring of 1945 that had to be moved out of the centers within the year:

Center	In Project Warehouses	In Barracks	Total
Central Utah	200,000	2,800,000	3,000,000
Colorado River	30,000	4,000,000	4,030,000
Gila River	140,000	3,000,000	3,140,000
Granada	175,000	1,515,000	1,690,000
Heart Mountain	450,000	2,175,000	2,625,000
Manzanar	100,000	1,887,000	1,987,000
Minidoka	100,000	4,760,000	4,860,000
Rohwer	50,000	2,145,000	2,195,000
Tule Lake	950,000	4,350,000	5,300,000
TOTALS	2,195,000	26,632,000	28,827,000

As soon as the return of the evacuees to the West Coast was authorized, WRA reshaped procedures in evacuee property handling and supervision with two objectives: the first was to give all possible assistance to the evacuees, and the second was to terminate the property assistance program as soon as possible. As it happened, plans to expedite the liquidation program were frequently altered to meet the needs of the evacuee population as these needs manifested themselves throughout the year of 1945, when the dislocated people were returning to the West Coast and the centers were closing.

A manual release #1657 of January 20, 1945, liberalized procedures to include voluntary evacuees who needed assistance, if they were to return to their former homes, among those evacuees eligible to WRA help with property problems. In the same release it was made clear that

those persons whom the War Department designated as ineligible for return to the West Coast or as ineligible for relocation elsewhere would receive full assistance from WRA with regard to their property problems. At this time it was stated that those who returned to the coastal states would be eligible for WRA's property management assistance for a period not longer than 60 days after their return. It was stated also, that a special function of the Authority would be arranging contacts with local agencies, organizations and firms which would take over where WRA left off in providing necessary services to a dislocated people.

There were always people who relocated, some to the East and many to the West, who were unable to find living quarters which would accommodate their furniture and other household goods. Many of these people were not in a position to pay storage costs. The Authority kept stressing the fact that no property could be retained in center warehouses later than the center liquidation date for center property, and that the closing date for West Coast warehouses was February 28, 1946. On November 27. 1945, a teletype instruction to area supervisors announced that WRA would no longer accept new requests for storage of property. However, many of the returning people were obliged to live in hostels or other temporary housing for considerable periods of time. February 1 was originally set as the final date for receiving applications for shipment of property in private storage or use. The date was extended to February 28, and by regulations issued on February 4, 1946, it was permitted relocation supervisors on the West Coast to make exceptions to the February 28 deadline for bona fide hardship cases involving persons living in their areas. Similarly the deadline for clearance of West Coast Government warehouses was extended from February 28 to March 15though the evacuee owner was obliged to bear the cost of crating and shipping and to make his own arrangements if he left his property in the warehouse beyond the February 28 limit. At the same time the relocation supervisors on the West Coast were given authority to extend the time as far as April 15 for genuine hardship cases involving persons living in their areas. April 15 remained the deadline for getting property out, but on March 1, it was announced:

"\* \* \* where an evacuee owner is still residing in temporary housing on the West Coast and a further extension is necessary to prevent hardship, the Area Supervisor may on request store the property with a public warehouseman in the name of the evacuee and pay storage charges up to June 30, 1946, notifying the evacuee of his action, and sending him the warehouse receipt (which shall be a non-negotiable receipt) by registered mail." 26

The same administrative notice made provision for the disposition of unclaimed property in WRA storage, that property "for which the owner is unidentified or cannot be located, or who has failed or refused

shipment by February 28, 1946 (or any extension approved by the Area Supervisor)." Such property was to be moved from the Government warehouse floor to a room suitable for conducting an auction, beginning March 15. Sales should take place not earlier than April 15 and not later than April 30. It was stipulated that West Coast area supervisors should continue to make every effort to identify and locate the owner of unclaimed property prior to "RA disposition, and that:

"Before any such property is offered for sale, as set forth below, the Area Supervisor shall send a brief description of the property lots, the respective places of storage and the names and former addresses of the evacuees where known, to the bi-lingual papers, namely, Rocky Shimpo (Denver, Colorado), Utah Nippo (Salt Lake City, Utah), and Colorado Times (Denver, Colorado), and to the Pacific Citizen (Salt Lake City, Utah), with a request that the information be published. The news release shall state the place and time of sale of all property uncalled-for and indicate that the proceeds will be deposited in the U.S. Treasury, where the rightful owners may make claim for it."

On March 4, 1946, a schedule for closing the remaining field offices of the Authority was published, the West Coast district offices scheduled for liquidation between April 1 and May 4, and the three area offices, located at Seattle, San Francisco and Los Angeles, as of May 15.

## SOME OUTSTANDING INSTANCES OF PROPERTY LOSS AND DAMAGE

Although it is a recognized fact that few tenants lavish such care on property as would the owner, the neglect and destruction of evacuee property by substitute operators during the period of the owners' exclusion from the West Coast far transcends the ordinary carelessness of tenants. Too, the fact that prejudice against the Japanese American minority was so strong on the West Coast during a considerable part of the war period that the public conscience was highly insensitive to pilfering and vandalism committed against the stored possessions or buildings of the exiled people, encouraged the lawless to commit increasingly bold acts at the expense of the absent owners. The full extent of damage and loss has come to light only with the return of the evacuees to their former homes since the rescission of the military exclusion orders which sent the evacuees into exile.

That the public conscience is awakening where the evacuees are concerned is evidenced by an editorial that appeared in a Los Angeles newspaper in January of 1946; under the caption "Restitution for Evacuee Citizens," it read:

"Secretary of the Interior Harold Ickes has come out publicly with a declaration that American citizens of Japanese ancestry who were moved from their West Coast homes by the military 'are entitled to and should receive compensation for any damage inflicted on their property in California or elsewhere during their absence. ! He referred only to stored goods or damaged, and homes or other buildings burned. This would be most inadequate justice that can never satisfy a sensitive American conscience. From the standpoint of the individuals, goods may as well have been burned or stolen as to have been sold 'for anything you can get.' as advised by the bank representatives on evacuation boards. These people are entitled to restitution for losses in business and in high earning power during the war period. Their removal was the most un-American episode in American history. Those who think it was necessary should be the first to see to it that innocent citizens should not bear the whole burden of 'war necessity.'"

#### The Story of a Blocked National

Mr. Nomura\* was a prosperous man until the war. For many years he had lived in Elk Grove, California, with his family. In 1941 he was manager of the State Farming Company, Dos Palos—a small town near Fresno—manager and adviser to both the Berry Growers Association of Elk Grove and the Sacramento Berry Exchange, and president of the State Ice Company, of Sacramento. He loaned money privately to finance some of these companies. He had an interest in the Garden City Investment Company from which the San Jose Brewery Company leased the property on which it operated. In December of 1941, Mr. Nomura had sums of money outstanding which totaled about \$62,000. Since June of that year he had been operating under a blocked account.

Immediately after December 7, 1941, according to Mr. Nomura's statement, Treasury Department representatives entered his home, taking all records and account books from his office and from his safe, none of which had been returned as of November 15, 1944 when the project attorney at the Central Utah Relocation Center wrote a report on this case. The following story is told by Mr. Nomura.

On January 13, 1942, four men from the Treasury Department went to the Nomura home, showing no authorization except their identification cards from the Treasury Department, and searched the house. Mr. and Mrs. Nomura, not knowing what, if any, their rights were, made no protest.

<sup>\*</sup> Name fictitious.

Having completed their search of the premises, three of the Treasury Department men left, but one stayed as guard until he was relieved by another Treasury Department man. For about a week a twenty-four hour guard was maintained over the house, with shifts at 8:00 P.M., 4:00 P.M. and midnight. During this period neither Mr. Nomura nor his wife was allowed to leave the house for any purpose or to use the telephone—even to purchase food. When the telephone rang, it was answered by the guard. The Nomuras ran out of food, except for a stock of rice which they had on hand, within a day or two of the establishment of the guard. They asked the guard to telephone the grocery store and order food, assuring him that the grocer would furnish food on credit. The request was refused. Neighbors were not allowed to enter the house or to leave any food for the Nomuras. The guards brought their own lunches.

After a week, the guard was withdrawn, but Mr. Nomura was warned against attempting to use his credit in any way or to carry on any business. For three more weeks the family lived on rice except when a neighbor brought them a loaf of bread. Mr. Nomura lost 24 pounds during this period. Finally when the rice was about to give out, he went to a United States Commissioner whom he knew. She made arrangements so that he could withdraw \$100 monthly from his blocked account at the Capital National Bank in Sacramento. He withdrew his first \$100 on February 14, 1942, terminating a month of hunger.

During that period Mr. Nomura was twice taken to the court house by representatives of the Federal Bureau of Investigation. Each time he was questioned and then released. After the guard was withdrawn, Mr. Nomura was summoned every two or three days to the Sumitomo Bank Building, where he was questioned by from two to seven people, sometimes for several hours. He was told to be available for such questioning at all times. Consequently he felt virtually a prisoner and dared not go about his business operations.

"A neighbor of his was \* \* \* the manager of the Butte Farm Land Company. He told Nomura that he was no longer being subjected to questioning, etc., because he had arranged with \* \* \* / two men/ both of whom were connected with the Treasury Department, to pay them \$500.00 per month for handling his business.

Nomura also learned that the Highland Land Company was paying \$250.00 per month to the same men for the same services. The neighbor took Nomura to the Sumitomo Bank Building in the early part of April, 1942, to the office of the Highland Land Company where Nomura met \* \* \* / the two men/. Nomura knew both men because they were two of the men who were questioning him from time to time. Nomura then suggested that he would be interested in having them run his business as they were operating other businesses, and that perhaps he could pay 25% of the monies he would collect. \* \* \* /A/ said that

perhaps 25% was too much, but that 20% would be right. It was then agreed that \* \* \* /B / was to get 20% of all the monies collected and when it came to making out some written memo of the arrangement. \* \* \* /A 7 said that he would get a form of Power of Attorney that had been used in other similar \* cases. He left the office and about ten minutes later he came back with a form which he gave Nomura and which was later typed up and signed by Nomura. It appointed \* \* \* /B / agent and attorney in fact for Nomura but provided no compensation to \* \* \* /B 7. In a separate letter, dated April 10, addressed to \* \* \* /B 7, Nomura agreed as follows: 'In consideration of the fact that you are willing and able to act as my attorney-in-fact to assist me to conserve my assets for the duration of the war. I hereby agree that you are to be compensated for so doing on a basis of (20%) twenty percent of the cash recovered on the total assets so being conserved.' Nomura holds a letter, dated April 16, signed by \* \* \* /B 7, as 'U.S. Treasury Representative, Foreign Funds Control' which, of course, indicates that on that date (six days after the \* \* \* /Nomura-B/ agreement) \* \* \* /B 7 was still connected with the Treasury Department.

"\* \* \* \[ \bar{B} \] himself never collected any money. All the money was collected by Nomura. Nevertheless, it was all deposited in the Capital National Bank of Sacramento under an account entitled \* \* \* K. Nomura by \* \* \* \( \bar{B} \) attorney in fact, and \* \* \* \( \bar{B} \) drew checks to his own order to pay himself an amount equal to 20% of all collections. The check book shows three stubs numbered and dated as follows: No. Dl in the sum of \$1201.47, May 5, 1942, \* \* \* \( \bar{B} \) 7 '20% of collections to date as per agreement; No. D2 in the sum of \$462.71, May 11, 1942, \* \* \* \( \bar{B} \) 7 '20% of collections to date as per agreement; No. D3 in the sum of \$356.09, July 16, 1942, \* \* \* \( \bar{B} \) 7 '20% of collections, expenses and mileage!. Nomura also has the cancelled checks to show the payments made by \* \* \* \( \bar{B} \) 7 to himself.

"\* \* \* /B filed a report to the Treasury Department (TFER 1) for the period from April 14 to August 12, 1942, showing collections and disbursements. The report refers at two or three points to the fact that \* \* \* /B and Nomura had an agreement by which \* \* \* /B was to have 20% of all collections and it shows collection first paid to \* \* \* /B in accordance with that agreement. This would seem to indicate that the Treasury Department knew about the \* \* \* /B arrangement and made no exception to it. Is it possible that the Treasury Department permits its employees to make such arrangements with persons whose accounts are blocked, etc.? At any rate, \* \* \* /B certainly made no attempt at the time of

making this report to cover up the facts. Also, in applying for a license under form TFER 1 on April 10, 1942, \* \* \*  $\sqrt{B}$  filed a copy of his power of attorney and of the agreement to pay him 20% of all collection. The application was reviewed on April 11, 1942, by \* \* \*  $\sqrt{A}$  as examiner." 27

In August of 1942, when Mr. Nomura was in residence at the Tule Lake Relocation Center, he was visited by Mr. B, who gave him a release and discharge of power of attorney, saying that Mr. Nomura no longer needed such services. However two weeks later Mr. B. returned to Tule Lake with C, Liquidator of the Sumitomo Bank. Mr. B assured Mr. Nomura that Mr. C was a very "reliable" man and that other Japanese companies were employing him to handle their businesses. Mr. B told Mr. Nomura that he would do well to give Mr. C power of attorney. Fearful of offending officials of the United States Government, Mr. Nomura did as he was told.

"Two items in connection with \* \* \* \( \overline{C} \) bandling deserve mention: \* \* \* \( \overline{He} \) sold Nomura's automobile either to himself or to \* \* \* \( \overline{B} \). Before the sale, he had the car repaired at Nomura's expense (about \$70.00) then sold the car for \$750.00 and then took 20% of that sum or \$155.00 as his commission (Oct. 16, 1942).

"On February 2, 1943, \* \* \* \( \overline{\text{C}} \) drew \$407.42 which sum represented a 'collection' from the Garden City Investment Company. This was merely the transfer of the sum of about \$2,000 from the Garden City account to Nomura's account. \* \* \* \( \overline{\text{C}} \) had already collected a fee of 15% of a larger sum including the \$2,000 item when he sold the building for the Carden City Investment Company." 27

A report of later date, November 15, 1944, from the project attorney of Central Utah Relocation Center, where Mr. Nomura was living at that time, carried further details of the Garden City Investment Company sale.

"\* \* \* Here the power of attorney was dated August 22, 1942, to \* \* \* \[ \bar{C} \] and the commission specified 15%. Property left in his care was appraised at \$12,000 in November 1942. On November 14, 1942, \* \* \* \[ \bar{C} \] reported the place destroyed by fire, not in writing but by telephone. He thereupon sold the property for \$3,000, including all machinery, to an unknown through Escrow 137744 San Jose Abstract Company. The buyer then promptly resold to Angelo Tersini, 220 Ryland St., San Jose, for \$8500. Mr. \* \* \* \[ \bar{C} \] is sorry but thought he had a right to use his best judgment." 28

On August 11, 1945, the Director of WRA addressed the Director of the Foreign Funds Control Division of the Treasury Department, by letter, enclosing the two reports on the Nomura case prepared by the project attorney's office at Central Utah, and asking for an investigation. The Director mentioned that he had informed the Alien Property Custodian of the statements in the reports. On September 18, 1945, the Acting Director of Foreign Funds Control replied to the Director of WRA as follows:

"Reference is made to your letter of August 11, 1945, enclosing two reports which make certain charges respecting the activities of former Treasury Representatives.

"We very much appreciate your sending this information to us. We find, however, that a number of the charges contained in the reports are unfounded.

"Shortly after \* \* \* \( \bar{B} \) s resignation in April 1942, from his position as Treasury Representative, we undertook an extensive investigation which, among other things, established to our satisfaction that neither he nor his colleague, \* \* \* \( \bar{A} \), had solicited the business with \* \* \* \( \bar{K} \). Nomura and other Japanese nationals, and that both had acted in good faith, although in a manner not in accord with Treasury policy. We took immediate remedial steps to discontinue \* \* \* \( \bar{B} \) s activities in behalf of the Japanese, permitting him to receive certain compensation for services already performed.

"During the investigation, it may be noted, Nomura stated in a signed statement that he had approached \* \* \*  $\sqrt{B}$  voluntarily and that \* \* \*  $\sqrt{B}$  had in no way used his position as Treasury Representative in obtaining Nomura's power-of-attorney. It might also be mentioned that prior to \* \* \*  $\sqrt{B}$ 's entering into agreements with Japanese nationals, he and a number of other Treasury employees had been advised that their employment by the Department would soon be termintated."

## The Case of Mr. Hideo Mori\*

This case is best described in Mr Mori's own words, from a letter which he wrote to the Director of WRA on November 2, 1945, from Parlier, California—in the San Joaquin Valley.

<sup>\*</sup> Name fictitious

"I wrote to the Project Director of the Gila River Relocation Center and was referred to you for further action and information.

"I am an alien and own a ranch, purchased prior to the passage of the Alien Land Law /i.e., prior to 1913 in Winters, California—Yolo-Solano Co. Because I was forewarned of the public sentiment there, I temporarily relocated here, and from here made trips to Winters to personally determine the prevailing conditions there.

"During my years in camp, I rented the ranch to local Spaniards. They milked it for all it was worth, never bothering to keep up nor improve it, knowing that during the term of their lease no one would come to inspect their work. Though the entire ranch was supramarginal during the years of the war, certain portions that were poorer than others were totally abandoned. The result is that the productivity of the ranch is now but a fraction of its full potential, thereby making it a poor prospect for sale or lease.

"When I was evacuated, I was told to leave all equipment necessary to the operation of the ranch on the ranch or stand possible charges of sabotage, so I had left them. Now, what remains are only those that are old and useless; all the other pieces that I had accumulated during my thirty years of farming are gone. Even such things as water faucets have been stolen, as well as household equipment and personal property which I had stored in a closet, the door of which I had locked. Were I to return to again operate my ranch, I would require a greater initial capital than I could possibly command at my disposal.

"Besides the negligence in the care of the ranch, there is also the negligence in the care of the buildings. Not only are there broken windows and broken doors and broken cabinets, but also there are nails and boards nailed randomly on the walls. And around the buildings grass has grown so thickly that a fire a half mile away could easily reach and destroy the buildings.

"I have been informed by various WRA officials that I must stand the losses myself: that the WRA is powerless in this issue; that if I chose to I could bring a law suit against those who rented my ranch, the success of such a suit being admittedly very poor though the evidence be substantial. "We were evacuated as a wartime measure. And as a result of this evacuation we suffered losses from negligence that borders on sabotage and looting such as can be associated with ransacking hordes of an invading army. Is it not only fair that restitution for such losses incurred as a result of this evacuation—proper restitution to put us back on the economic status from which we were forced—be treated by a measure as forceful as our evacuation?"

On November 9, 1945, the following letter prepared for the Director's signature went to Mr. Mori:

"This is in reply to your letter of November 2, 1945, concerning the damage done to your ranch in Winters, California, during your absence.

"I was deeply disturbed to learn of this damage, and of the consequent difficulties to be encountered by you in restoring the ranch to its former level of productivity.

"The War Relocation Authority does not have the authority, however, to make restitution for losses that may have been incurred by individuals as a result of the evacuation, nor does any other Federal agency have such authority. Special legislation would be required to give responsibility and funds for this purpose to an agency, and to our knowledge no such legislation is being considered by the Congress. You may, of course, bring suit against your former tenants, and a competent attorney there would be in the best position to advise you in regard to the advisability of instituting such legal action."

## Evacuee Farms in the Florin Area

The Florin area—near Sacramento in the lower Sacramento Valley of California—was reclaimed from waste land or in some instances hay land to use in vineyard and berry culture largely through the labor and skill of Japanese immigrants in the early days of this century. At the outbreak of World War II, this area was still populated principally by Japanese American farmers, most of whom owned their land. In general the individual farms varied from 15 to 50 acres, the size of the farm depending somewhat upon the size of the farmer's family, as the necessary labor was in most instances performed by members of the family.

From the average farmer's point of view, the Florin district is not attractive country. The soil is shallow, varying from 12 inches—or even less—to 48 inches in depth, with hardpan or dense clay subsoil

layers underneath. Irrigation has been essential to production of all crops produced by the Japanese, and the average cost per acre of irrigation for grapes has run \$6 per acre for the electric power to utilize the deep wells which are essential to all farms in this district. In dry years the cost runs above that figure. Because of the shallowness of the soil and the need of frequent irrigation, in spite of toil and ingenuity of the farmers, the yield of Tokay grapes to the acre in the Florin area is about three tons, an average far below that of more favored areas, for instance Lodi, in the same general section of the valley. Up to the time of the evacuation, the Japanese American farmer, by working very hard and utilizing family labor, could hope to have above costs of production and strippings, approximately \$32 per acre at the end of the harvest. Out of this sum he had to pay taxes, interest on a mortgage perhaps, and repair or replace equipment. In order to get along, these farmers augmented that basic income from vineyards by growing other crops simultaneously. They discovered that strawberries planted between the rows of grapes did well and substantially supplemented the income from the grapes. Many of the farmers grew certain truck crops, too. They learned that a modest profit could be made from this uninviting land-if enough work and skill were lavished upon it.

The evacuation occurred at the height of the strawberry season. Unless the owners harvested all or most of their crops, they lost their only chance of getting immediate cash. When exclusion orders were posted for that area and the heads of families reported to the control station for processing, they were told that they should utilize the week that remained before the enforced departure to gather up their personal and household goods and store them in some central place or, if none should be available, in a Government warehouse. If the strawberries were to be harvested, there was no time to fill out forms itemizing the possessions and to crate and handle them. Therefore, after working up to the last possible minute, the farmers boxed up what they could of their furnishings and equipment and stored the lot in a room of the farmhouse, or perhaps in a shed or garage on the farm, turned the key in the lock, and went to the railway station for entrainment, hoping for the best. For weeks, in most cases, these farms were to all appearances abandoned.

Not many of the Japanese American farmers had been able to find operators willing to take over their land. A few made deals with neighboring farmers of other races to continue production, with a contract stipulating the owner's share of the selling price of the crop. Others trustfully made verbal agreements with tenants whereby the tenant continued production and gave a designated share to the owner—providing that the tenant considered an oral agreement binding. The untenanted farms became for a time the responsibility of the Farm Security Administration. In January of 1943 the WRA evacuee property supervisor for the Sacramento district—he had been working at the time of the

evacuation with the Wartime Farms Adjustment Program within FSA-reported as follows:

"At the time of evacuation the Farm Security Administration attempted to secure substitute operators for the ranches and met with little success. It was almost impossible to secure operators to farm these ranches in the way that the Japanese had done. Consequently the strawberry acreage dropped from approximately 1600 acres to probably less than 200 acres. However, in the case of Tokay grapes, all farms which did not have individual operators were taken over by the various operation corporations, which corporations were formed by the various fruit shipping companies located in this area. There was only about a one-half normal crop this year and labor was very difficult to obtain. This method of operation could not continue without Government financing and most of them show a deficit on their books for the past year's operation.

"From a recent survey by the Evacuee Property Division, it appears at the time this report is being written that there will be very close to fifty or more of these ranches without operators. The other ones have been, or are in the process of being, sold or leased to Caucasian operators." 29

Grape production was dwindling, too, though not so conspicuously as the strawberry industry. The report just quoted contained the information that a check-up made by the Sacramento County Agriculture Commission—at the close of 1942—showed that about 20 percent of the vineyards in the Florin area had been pulled out since the evacuation. Mention was made of the fact that one of the large fruit shipping companies had pulled out 180 acres of their 610—acre vineyard and planted the land with Ladino clover for pasture.

The type of farming, the peculiar skills and heavy toil required to wring even a little profit from the land, the general confusion and bewilderment of the evacuees, and the animosity with which many West Coast residents regarded the Japanese Americans were all factors militating against the preservation of these farms in the absence of the owners. To quote from another report of the WRA evacuee property supervisor:

"It might be well to note here that in several areas, and the Florin area in particular, the train in which the evacuees were leaving had not left before people from various parts of the country began to pilfer their homes and ranches, breaking windows, filling wells with debris, and committing

other acts of vandalism. The County Sheriff was unable to do anything about this \* \* \*."30

The corporations formed to take over groups of farms that at the time of evacuation had no other operation planned developed shortly after the owners had been moved into assembly centers. The farms operated by these corporations lay close together, and thus were isolated, only an occasional Caucasian-owned or -leased piece of property interrupting a solid block of Japanese-owned farms. Ultimately 125 farms in this area were taken over by the corporations. Having no tenants in residence, being isolated, and being deserted when the working day was ended, such farms and the buildings upon them offered ideal opportunities to vandals and thieves to commit nuisance undetected. At the request of the WRA evacuee property supervisor the corporations agreed to hire a night watchman to patrol the area. This practice continued until the last harvests were in in the fall of 1942, and during that period there were no further acts of depredation. However, by January of 1943, the property officer reported:

"The corporations are now through with their past season's operations and are cancelling their leases. This vandalism is reappearing and will probably become more acute than before. This will be a difficult situation to handle now with no one on the ranches and these farms are rather isolated from close neighbors who might be able to stop anyone from causing waste and damage to evacuee property.

"The present problem is to decide what is to be done to handle the fifty or more Japanese owned farms in Florin which are facing partial abandonment." 29

Most of the farms were kept in partial operation throughout the remaining part of the exclusion period. As time went on the lumber, house fixtures and plumbing parts became increasingly hard to obtain, the spirit which had governed the earlier depredations, the attitude of destruction for destruction's sake, changed. Night raiders, who had descended upon abandoned farm houses to smash boxes of stored dishes and to break up stored furniture, now went with a view to appropriating anything which their own establishments might lack. Evacuee possessions of easily movable nature had long since been wrecked or stolen, but doors could be removed and carried away for use in the marauders' own houses, window frames were utilized, sinks were appropriated, toilets were uprooted and carried away, and built-in shelves were taken apart and the boards taken away.

In March of 1945, when the original owners were beginning to return to their farms in this district, the WRA Historian visited Florin and inspected many of the evacuee farms. The charred ruins of the Fumi

Mukai Fujimoro ranch house and barn, destroyed in a mysterious night fire in the owner's absence, were ugly testimony of the hostility of certain elements to the Government-authorized return of the exiles. The fire occurred just after the Takeoka brothers had returned to their property across the road from the Fujimoro place. Viewing the remains of their former neighbor's farm buildings, the Takeoka brothers decided that Florin was unfriendly and that they had better leave. As they were driving away, completely discouraged by this incident, they were intercepted by the WRA evacuee property supervisor; he talked to them for some time, pointing out that these cowardly acts were a desperate attempt to frighten away the first evacuees to return, and that courage to face these pioneering hazards until more of the evacuee farmers returned would be worth the effort. The Takeokas by proving that they could remain would encourage others to join them, and when half a dozen adjoining farms were occupied by their owners, night terrorists would hesitate to attack, whereas they could be bold when only one inhabited farm in an isolated district lay before them. The Takeokas turned around and resumed control of their property.

Frank Umida returned to his farm to find that all doors and windows were missing from his house and that an enterprising raider had thriftily taken up the floorboards and made off with them. Mr. Umida moved in with relatives, who had been fortunate enough to have a tenant to look after their home during their absence, until he could construct temporary quarters for his family, ingeniously putting up a unit of wartime housing under the roof of an old barn.

Invariably the returning farmers reported that their land had suffered from neglect of vines, lack of knowledge of peculiar trimming and training of the Tokays if these grapes were to produce in shallow soil and be sheltered from the sun, and the unwillingness of substitute operators to perform the tedious labor necessary to strawberry production. Whereas there had been 1.600 acres of strawberries in the district at the time of evacuation, there remained 30 acres in the spring of 1945. Farm equipment and machinery had been worn down badly by careless handling and also by the heavy use to which it was put in a day when farm machinery was at a premium. The men who had returned were resourceful farmers and were figuring out ways to overcome the damage to their habitual crops. They said that by rotation of other crops, by experimenting, by working a little harder, they could get along-it was good to be home again, even if they had to start out once again as they had years ago when they had taken over unimproved or hay land and made it productive.

damaged things. Nothing was untouched. Sewing machines were ruined, furniture broken, mirrors smashed to smithereens, broken glass from breakable articles, household goods scattered helter-skelter, trunks broken beyond repair, albums, pictures precious only to the respective owners, thrown to the four winds. Standing among this debris of disreverent damage -- my heart was full of unwept tears and compassion for the people who trustingly stored their valuables and treasured household belongings. These things were all carefully packed and separated and divided into two categories \* \* \* necessities of life \* \* \* and keepsakes. While surveying the irremediable damage. I noticed that things of intrinsic worth were what the plunderers were searching for and any things that could be converted into immediate cash were taken and the residue abandoned regardless of value and preciousness. Electric irons, sewing machines, refrigerators, washing machines, radios. Persian rugs, typewriters, were systematically filched-not one box went by unscathed \* \* \*.

"Through days and nights of endless separating, dividing, segregating merchandise to the rightful owners, my only thought was how was I to face these unhappy people again and report their losses that money could never buy again. Things that we did gather up carefully were not so much of monetary value but for sentimental reasons dear to the owners' hearts only. The other things—those that had been stolen—were things needed to carry on in the future the necessities of life. \* \* \*"

## Vandalism in Guadalupe, California: Today's Fish Market

In the spring of 1944 the Transportation Section of the Evacuee Property Division of WRA, acting on a request from an evacuee that certain personal property of his should be shipped to him, sent a representative to a building known as "Today's Fish Market," in Guadalupe, where several evacuees had stored their personal property. The WRA man discovered that the place had been ransacked, and he immediately reported the matter to the Evacuee Property Division. WRA made an investigation on April 17. 1944. The second floor of this building had contained a large amount of personal property. All trunks and boxes had been broken into and ransacked; clothing, furniture, household goods and splintered crates were strewn about. The investigation took place in the presence of Deputy Sheriffs Bidwell and Oxford of Guadalupe, and pictures were taken. At the sheriff's office in Guadalupe, the WRA investigators found a report dated February 20, 1943, which stated that Fred Shaffer had reported to the sheriff's office that the building had been broken into. The report did not indicate that the sheriff's office had made any attempt, in the 14-month period between the date of the report and the WRA discovery of the situation, to communicate either with the owner of the building or with any governmental agency with a view to ending such acts of depredation.

## Difficulties of Peter Tsuchiyama\* in his Dealings with Caucasian Operators on his Poultry Farm at Downey, California

At the time of evacuation Peter Tsuchiyama, of Downey, California, leased his poultry ranch to J. Early in 1943 Mr. J informed Mr. Tsuchiyama that he could no longer operate the ranch with profit and recommended a new lease to K and L. Mr. Tsuchiyama agreed. At the time of the change in lease, and, according to Mr. J's statement, Mr. J with Mr. Tsuchiyama's knowledge, removed two brooders from the Tsuchiyama property for use on his own property. There followed a somewhat heated correspondence between Mr. J and Mr. Tsuchiyama about the brooders and certain other matters, until Mr. J's attorney, Mr. M, wrote to Mr. Tsuchiyama, instructing the latter to address all future communications to M.

At some period in 1943 a windstorm blew the tarpaper from three of the larger buildings on the Tsuchiyama property. The payment of the cost of this roofing repair job became an issue between tenants and owner. WRA served as arbitrator—in the absence of any provision in the lease to cover a wind storm loss—recommending that the owner and the lessee split the cost of the repair work.

By November 19, 1943, the rent was five months in arrears. On January 8, 1944, the residence on the poultry farm burned to the ground, and with it the household goods of Mr. Tsuchiyama. There was no insurance, and the cause of the fire remained a mystery.

On April 17, 1944, a man to be known as N telephoned the WRA property office in Los Angeles that he would henceforward operate the chicken farm alone, as sublessee to L, who was leaving. He also informed WRA that he was taking over operation of the poultry farm because of a bill for chicken feed which Mr. L was either unwilling or unable to pay. Mr. N was in the feed business.

In a letter of May 6, 1944, Mr. Tsuchiyama informed WRA that he would henceforward handle this matter himself. Rent continued delinquent, as it had been since Mr. J moved off the premises with the brooders. By October 26, 1944, the delinquent rent amounted to \$900. While there was evidence that a part of this sum had been spent on repairs, Mr. L steadfastly ignored Tsuchiyama's request for an accounting.

<sup>\*</sup> Fictitious name

On November 27, 1944, Mr. N reported theft and vandalism at the chicken farm. On December 4, 1944, Mr. L announced that he was filing suit against N and would turn over any amount collected by way of judgment against the delinquent account. The suit was filed on December 27, 1944, and apparently forgotten.

January 5, 1945, L's attorney, O, telephoned the Los Angeles office of WRA that, in view of the lifting of the ban against the evacuees, L would cancel the lease and was so informing Tsuchiyama by mail. At this time the lessees owed Mr. Tsuchiyama well over \$1000 in rent and there was a considerable quantity of equipment missing. No accounting had ever been rendered Mr. Tsuchiyama.

Early in March of 1945 a newcomer in the tangle telephoned WRA, identifying himself as a minister, and said that at the request of Mr. Tsuchiyama he was going to attempt to settle amicably the differences between the various lessees and Tsuchiyama. The attempt failed. Mr. Tsuchiyama thereupon employed attorneys to file suit. 31

The final word available on this confused matter came in a letter from the Los Angeles area supervisor of WRA, dated November 21, 1945:

"There seems to be a legal question as to whether or not Messrs. L and K sublet from Mr. J or whether they entered into an entirely new lease. J contends that he acted as an agent. He executed an assignment of his lease. Tsuchiyama contends, through his present attorney, that he accepted the assignment for rental payments only and that J was not released from any of the other provisions.

"It is our understanding that Mr. K is still about and is fully involved. It is also our understanding that when /the/ attorneys \* \* \* took legal action on Tsuchiyama's behalf they enjoined all parties, namely, J, K, L, and N. Furthermore they had the four defendants together at the same time for a conference but were unable to work out a satisfactory amicable settlement. At this date only two of the defendants have answered the complaint and the date of the trial has not been set. It is the opinion of the attorneys that all four defendants are financially responsible." 33

## The Case of Nobu Miyamoto\* of Seattle

Prior to the evacuation, Mr. Miyamoto was a prosperous green-house and nursery operator, conducting his business on his own land in Seattle. The nursery was operated in a plant comprising about 15,000 square feet under glass. In addition to the nursery the land had a large house and a small house and various small outbuildings and sheds. Mr. Miyamoto dealt in cut flowers, potted and bedding plants, green-house cucumbers and tomatoes. Before entraining for the Puyallup Assembly Center, the Miyamotos stored all their more valuable personal property in the small house and locked the building securely. They left the entire property in the custody of an old friend and family adviser, an attorney. This attorney, an aged man of good will but poor health, was unfortunately not capable of giving sufficient attention to the Miyamoto property. In fact he made neither regular nor irregular inspections.

In the spring of 1945, after the rescission of the exclusion orders, the Miyamotos returned to their old home.

"\* \* \* they found that this /the small / house had been completely emptied of the goods they had left there and that it had been rented to an itinerant war worker for some time. Many of the items of furniture left in the house were also found to be missing. The greenhouse property itself was in such state that it could not be operated due to broken glass, stolen motors, stolen and broken pumps, missing pipes, missing parts and missing tools which are necessary for the operation of such an enterprise. It was only after Mr. Miyamoto had secured new legal representation that the tenant was evicted from the small house, thus giving him /Mr. Miyamoto/ a place in which to live, but restitution of missing property still remains to be accomplished. The total value of this property is set by Mr. Miyamoto at an estimated \$10,000. Detailed lists of missing items in our files mention such articles as carpenter tools \$125, plumber tools \$275, flower shop materials \$350, while one trunk alone contained the finest of Japanese fabrics valued at over \$1500 as well as a diamond ring valued at \$1500." 34

Mr. Miyamoto had left instructions with the attorney that under no circumstances was the small house to be entered or molested in any way.

<sup>\*</sup> Fictitious name

#### The Case of Kenneth Kitasako\*

Mr. Kitasako, a master craftsman, arranged with a Mr. P for the storage of his personal property—including a set of tools valued at \$1,000—in a room on the third floor of the Pioneer Building in Seattle. In September of 1943 Mr. P reported to the WRA office that the room in which Mr. Kitasako's possessions had been stored had been broken into. The WRA representative visited the room, made a report and reboxed the remaining property. Mr. P died, and the management of the building was assumed by a Mr. Q. Mr. Q disappeared from the city, and the management passed to a third man.

When Mr. Kitasako was preparing to return to Seattle, he requested WRA to investigate the contents of the property stored in the Pioneer Building, and it was discovered that the room had again been entered and rifled. Household items had been taken from trunks and boxes and thrown about the room, and the thousand-dollar tool set was missing. The building manager reported that the pilfering had been reported to the police but that no action had been taken. He informed the WRA representative that a living room set and a dining room set of furniture, stored by Mr. Kitasako in two other rooms of the building, were also missing. It was reported that Mr. Q, the second in this series of building managers had absconded with \$1,500 or \$2,000 belonging to a partnership composed of himself and another man.

## Arson on Vashon Island: The Case of the Miyoshi Brothers

The Miyoshi family of Vashon Island, Washington, were evacuated to Minidoka Relocation Center in Idaho. They owned a well-insured home on Vashon Island, and in it they had stored furniture, clothing, and agricultural equipment belonging to themselves and also personal property and agricultural equipment belonging to four other island evacuee families. Not long after the owners had been evacuated, the insurance company cancelled the insurance policy. Presumably because the property was not occupied, other insurance companies refused to grant coverage. From the relocation center Masaru and Glenn Miyoshi, the brothers who had title to the Vashon property, went into the Army and both were sent to the European theatre, Masaru sustaining serious wounds in Italy.

On February 1, 1945, before daylight, the Miyoshi house on Vashon Island was burned to the ground with complete loss of all property stored therein. It was established before long that the fire was of incendiary origin. The Seattle Times of February 28, 1945, carried the following item:

<sup>\*</sup> Fictitious name

"A mysterious series of house fires on Vashon Island during the past two months was solved today when three Vashon youths admitted to Deputy Sheriff Louis Benard that they set fire to several vacant houses on the island 'just for the thrill.' The youths, 16, 17 and 22 years old, were arrested yesterday and freely admitted their part to Benard."

The 22-year-old pleaded guilty in the superior court of King County and was sentenced to pay a fine of \$1,000. The other two boys, as minors, were placed under the jurisdiction of the King County juvenile court. The boys and their parents entered into written agreement to make restitution to the Miyoshi brothers in the amount of \$1,000 from each offender. The court gave the three culprits the opportunity of going into the Merchant Marine and making payments out of their earnings. The 22-year-old boy acted upon the suggestion, and as of November of 1945, the area supervisor reported that all offenders were up to date on their payments. 34

### The Case of Thomas Ishimoto\* of Seattle

Mr. Ishimoto, at the time of evacuation, leased his furnished residence in Seattle to Mr. and Mrs. R. Mr. Ishimoto reserved one room of the dwelling for storage purposes, placing in the room about \$2,000 worth of personal property including furniture. He locked this room and departed for the assembly center. Upon his property there was also a greenhouse, which a Mr. S took over from Mr. Ishimoto at the time of evacuation and continued to operate.

In 1943, some time prior to July 1, Mr. Ishimoto's brother, as a soldier in the United States Army, was permitted to enter the evacuated area. He visited and inspected his brother's property in Seattle, discovering that the room reserved by his brother for storage of personal possessions had been broken into and everything removed therefrom. The greenhouse operator informed the owner's brother that Mr. R had been moving the missing articles and much of the furniture from the leased part of the house away from the premises. Mr. S had questioned R about his activities, but R informed him that he was shipping the property to Mr. Ishimoto at the Minidoka Relocation Center. However, Mr. Ishimoto had not made any request to have his property shipped to him, and no property ever reached him at the project. By the time that this discovery was made by Mr. Ishimoto's brother, R had disappeared.

<sup>\*</sup> Fictitious name

WRA files show that R, at the time of renting the Ishimoto house, was an inspector at Boeing Aircraft Company. In September 1944 he was employed as a patrolman in the navy yard at Terminal Island, California. In the spring of 1945 when the assistance of the WRA office was requested by Mr. Ishimoto, WRA reported the disappearance of Mr. Ishimoto's property to the King County sheriff's office. That office, however, has professed an inability to locate R.

# The Mismanagement of Mrs. Yano's\* Property in Seattle

The Yanos leased and operated as a rooming house a building in Seattle. All the furniture and furnishings in the house were the property of the Yanos. At the time of evacuation they left their affairs in the hands of an agent, Mr. T, who shortly acquired an operator for them. On August 11, 1942, the Yanos entered into a written agreement with this man, Mr. U, who contracted to manage the rooming house, no period of time being set for termination of the agreement, and to make a written financial report to the Yanos before the tenth of each month of his managership. This report was to show the total income from the rooming house, list the names of all tenants, include a statement of any possible delinquency in rent payment, and show an itemized account of any expenditures incurred, receipts and statements or invoices to be attached. It was stipulated that all money taken in from the business was to be submitted by U to the Yanos with the report. The Yanos, after auditing the report and paying any unpaid bills, were to remit to U one-half the net profits as compensation for his management and operation of the rooming house.

In June of 1943 U submitted his first and last report, which covered the months of February, March, April, May and June of that year. With the report he sent the Yanos about \$80, which he said was the amount of profit due the Yanos for the 5-month period. In this report he stated that it had cost him \$20 to have water pumped out of the basement and \$30 to repair a broken window. Mrs. Yano stated that the basement was equipped with a mechanical device which automatically pumped water out and that she did not believe that U made any such expenditure. In October of 1945 the WRA representative visited the premises and found that the same window reported as mended at a cost of \$30 was unmended. This visit was made at the request of Mrs. Yano, who had returned to Seattle. It was discovered that a room reserved for storage of Yano personal property had been rifled and much of the goods removed. The more important missing items were a sewing machine and a motor used to operate a large, commercial type of refrigerator, valued by Mrs. Yano at \$400.

<sup>\*</sup> Fictitious name

Great deterioration of the property had taken place under U's management. The WRA investigator found Mr. U in bed, apparently suffering from a severe hangover and in unpleasant mood. Mr. U stated that he had more important things to do than prepare statements for the Yanos but, on being assured that unless an accounting was submitted to Mrs. Yano very shortly, Mrs. Yano was prepared to procure an accounting through judicial proceedings, he promised to produce one. He stated on this occasion that he was employed by the Seattle Transit Company.

The house had been sold earlier in the fall to a woman who wanted to take possession by November 27, and it was important that Mrs. Yano should sell what remained of her furniture and have it out in time for the new owner to move in. Mrs. Yano hoped also to get some legal action to recover her vanished possessions and her share of proceeds from the rooming house before Mr. U disappeared.

A report from the area attorney to the Solicitor, dated November 2, 1945, contained the information that to date U had been "unable to make any sort of a satisfactory accounting." Mrs. Yano in company with Mr. T, the friend who had arranged for U to operate the rooming house, had consulted an attorney. A check with the Seattle Transit Company revealed the fact that U had left its employment on August 17, 1944. In view of the amount of time U spent around the rooming house, it seemed improbable that he could be employed anywhere. Mrs. Yano and Mr. T had discovered one of the roomers who had seen U remove the expensive motor from Mrs. Yano's commercial size refrigerator. WRA strongly advised criminal prosecution, for it seemed probable that even though U was without funds, criminal action might retrieve some of the missing property.

The WRA area attorney made an appointment for Mrs. Yano and Mr. T with the prosecutor's office with the deputy prosecutor. The latter passed the two on to the sheriff's office to report the case. The sheriff's office refused to investigate, saying it was a matter for the city rather than for the county to handle, and sending Mrs. Yano on to the city police department. After hearing her story the police captain told her that there was no basis for prosecution, but that she might take civil action in the case. Mrs. Yano mentioned that there was a witness to the theft of the motor, but unfortunately it developed that the witness was so aged and feeble as to be unable to appear in court.

Mrs. Yano returned from her many interviews to report to WRA. The WRA area attorney called the deputy prosecutor who said that he had hoped that the police department would investigate the case but that he could not force such an investigation. The WRA attorney then called the police captain, who after much argument reluctantly agreed to make an investigation. The deputy prosecutor promised to prosecute if the police investigation produced sufficient evidence.

With the assistance of the evacuee property office, Mrs. Yano sold her remaining furniture and had her application to the rent division of OPA for the removal of her property by the purchaser approved, so that the furniture could be removed in time for the new owner of the house to take possession on the date set.

The last word on the Yano case came in early December in a report to the Solicitor from the Seattle area attorney:

"I talked this week with /a / detective \* \* \* of the Seattle Police Department who merely informed me that the pawn shop detail is continuing its search for items of property missing from the Yano rooming house. \* \* \* /Ū / now admits that he cannot produce sufficient records to give an accounting of his managership of the rooming house. I have talked again this week with Mrs. Yano about filing a civil suit against him. Her attorney, \* \* \* has advised against filing such a suit because it is obvious that \* \* \* /Ū / has no property against which a judgment could be levied. Furthermore, he has no job and therefore no wages which could be garnisheed. Mrs. Yano herself feels that a civil action would be to no avail. I am sorry to report that any satisfactory settlement appears now to be impossible."

#### CONCLUSION

According to an estimate made by Mr. Russell Robinson, WRA Chief of Evacuee Property, in 1942, the evacuated people left behind them about \$200,000,000 worth of real, personal and commercial property. It is known that losses have mounted to many millions of dollars. It is known that many evacuees who had leaseholds upon farms have lost them by transfer to operators of other races during the years of exclusion. It was estimated by Adon Poli and Warren M. Engstrend, of the Bureau of Agricultural Economics, U.S. Department of Agriculture, in the fall of 1945 that whereas "farm ownership by Japanese amounted to about 30 percent of their total prewar farm operations, ownership transfers to nonevacuees during and after evacuation has probably reduced these farm ownership interests to less than a fourth of the total prewar Japanese land holdings, including leaseholds. This will amount to roughly 60,000 acres, or less than 0.002 of all of the land in all farms in the 3 States." 35

The cases which have been cited are typical of the kind of losses that the evacuees as a whole suffered. Many lost their chance of income and security in their old age through inability to keep up payments on insurance policies. Others have lost property through inability to pay taxes. Individual losses vary in amount from a few hundred to many

thousand dollars. At the time of this writing, late April of 1946, there is no Federal law under which claims of people suffering property loss and damage because of a Government-ordered evacuation could be paid by the Government. However, a bill to provide for this lack has been approved by the Bureau of the Budget and is being forwarded to the Congress.

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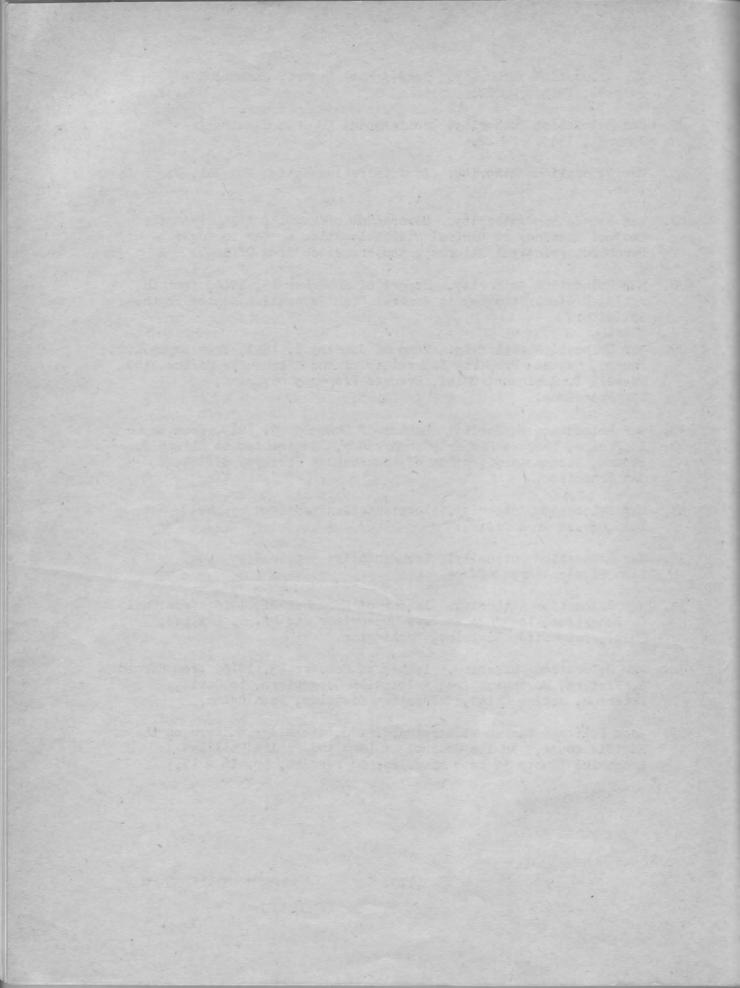
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13-a	Exhibit	2	13-j	Exhibit 47
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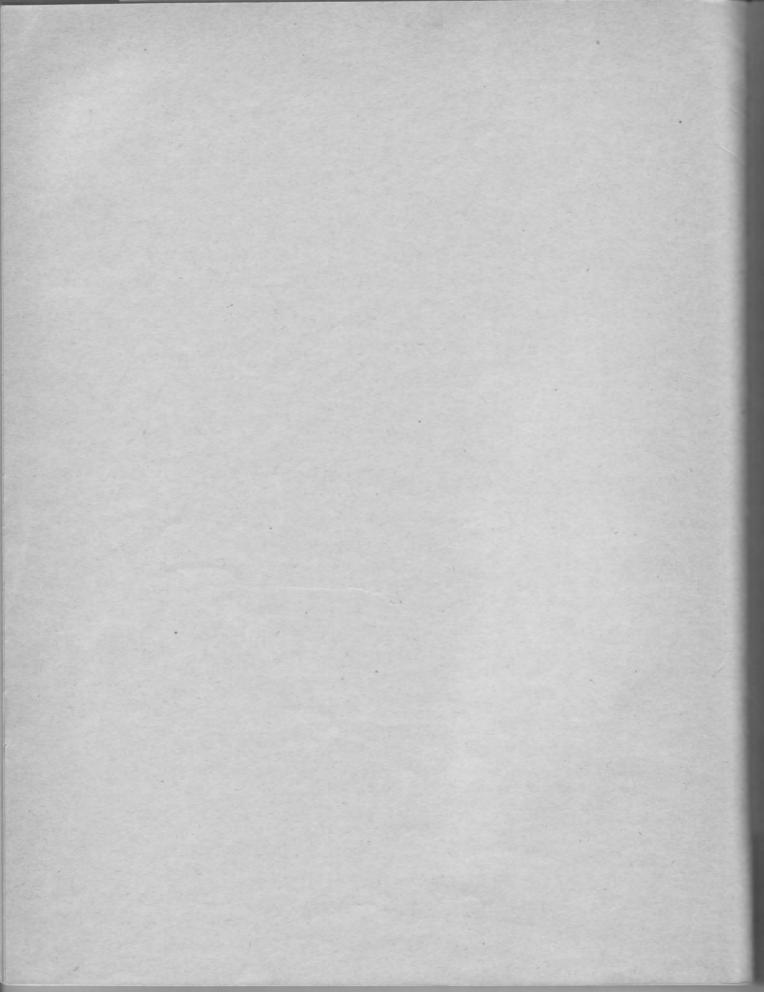
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# The Higashi\* Property and its Legionnaire Custodian

Woodrow W. Higashi, up to the time of evacuation, operated a drug store in Los Angeles. He was unable to dispose of his movable property before he was obliged to enter the Santa Anita Assembly Center in the late spring of 1942. A Caucasian acquaintance, who was a man of some prominence in the neighborhood, called on Mr. Higashi at the center and offered to assist the evacuee in selling certain property. This man was a disabled World War I veteran drawing a Government pension. He said that he could dispose of Mr. Higashi's drug store equipment for \$350, his neon sign for \$75, his 1935 Oldsmobile coupe for \$100 and offered to take care of Mr. Higashi's household furniture and goods. Mr. Higashi gratefully accepted this offer of assistance.

A few weeks later, the veteran, whom we will call Mr. E, visited Santa Anita again, informing Mr. Higashi that all his apartment furniture and furnishings had been stolen. Mr. E said that he believed that he knew who had stolen the things, but without power of attorney to act in Mr. Higashi's name, he was powerless to act. Mr. Higashi granted him the power of attorney. Mr. E went away, and for some weeks Mr. Higashi waited for some word of his property. The evacuee was increasingly uneasy, especially as he had received no portion of the proceeds of the sale of equipment which E admitted having made. So Mr. Higashi wrote to Mr. E and requested an accounting. Neither then nor at any time since has Mr. Higashi received an accounting or any proceeds.

From the assembly center Mr. Higashi was sent to the Granada Relocation Center in Colorado. There he consulted the project attorney, who advised him to place the case in the hands of an attorney. Again Mr. Higashi waited, and again nothing happened. On October 27, 1943, the case was turned over to the WRA attorney in the San Francisco office. WRA property officers conducted a thorough investigation of the activities of Mr. E, who about this time was made commander of an American Legion post for the year 1944. The investigation revealed that Mr. E had no assets which would be reached by attachment, that he was definitely guilty of misappropriation and misrepresentation—not only with regard to Mr. Higashi but also with regard to other evacuees. The facts assembled were presented to the Los Angeles district attorney's office, but that office stated that it was not interested in filing charges against Mr. E. 31

# Pilfering of the Nichiren Buddhist Church in Los Angeles

The Nichiren Buddhist Church, located at 2806 East First Street, Los Angeles, was used as a storehouse for the household and personal

<sup>\*</sup> Name fictitious

goods of its evacuated members. The parsonage next door was rented to a woman who was duly appointed as custodian of this church, with power of attorney. The appointment was made in a name to which she was not legally entitled, the surname being derived from a man with whom she was then living.

On June 22, 1943, the Los Angeles police informed the WRA office that they had, on June 21 at 12:45 a.m., discovered a man who can be called F in the Nichiren church and another man, G in a truck just outside the side entrance to the church, and that they had proceeded to arrest both men. Mrs. H, the official custodian of the church, pleaded for F, declaring that he had a right to be in the church, regardless of the hour, because he was acting as her "caretaker." According to the police report, nothing had been removed from the church on that night, and the two men were subsequently released.

Less than three weeks after this episode, the WRA property office was informed by the police that they had been called on July 6, by Mrs. H, who asked them to arrest F, whom she at this time accused of stealing her radio. The evacuee property officers immediately visited the Nichiren church and found the side door broken open. Inside the church everything was in a state of chaos: trunks had been broken open and their contents scattered; most of the crates had been broken into; all refrigerators, stoves, washing machines, sewing machines and radios had disappeared. Information was teletyped to all the relocation centers to residents who had stored their possessions in this church; photographs of the wreckage were taken, and an inquiry was made throughout the neighborhood. In the course of this investigation it was learned that Mrs. H, who was actually Mrs. I, had moved out about July 8. Neighbors reported that whereas she moved in with little or nothing in the way of furniture, she took two truckloads away with her. The evacuee property officer on the case managed to locate the woman's husband, Mr. I. in another section of the city, but Mr. I had no idea of where Mrs. I might be.

The property officer recommended to Rev. J. Ishihara, absentee priest of this church, that a patrol service be installed. This was done, and military permission was sought and granted for the priest and three other evacuees of the group affected to return under escort to attempt to identify the little remaining property that was worth salvaging. 31

The following is a statement submitted by Mrs. Cecil Itano, who was a member of this group which returned with a WRA internal security officer to Los Angeles to identify goods in the church:

"On October 11, 1943, we went to view the Nichiren church. The catastrophe before my eyes was a hopeless mass of deliberate destruction. Everything was a conglomeration of unrecoverable

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