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disposed of illegally, and will be unable to evade the responsibility for such sort of supervision over the agent.

V. AS TO WHAT HAS BECOME OF GOODS DISPOSED OF ILLEGALLY:

According to the results of the investigations conducted by the Omiya Municipal Police since 27 September 1947 into where the goods had been diverted to through illegal channels by ISHIKAWA of the Chiyoda-ya Co., as stated above, the goods in question were almost all of them passed from hand to hand by brokers, and already sold away to consumers, with the results of which it is very hard for the goods to be discovered and confiscated with the purchasers.

And the majority of the goods which are at present being held in the three warehouses mentioned above, are composed of the "Gyoda Goods", and are now being checked on in amount by the Industrial Rehabilitation Kodan.

VI. AS TO WHETHER MONEY FOR GOODS DISPOSED OF ILLEGALLY HAS BEEN RECEIVED BY CHIYODA-YA CO., OR WHETHER MONEY HAS BEEN PAID TO KODAN HEAD OFFICE:

It is believed necessarily that the Chiyoda-ya Co. must have received from the purchasers the money for the goods which the company had diverted to them through illegall Channels, but the details are unaccounted for, because the criminal is still unarrested.

And as to whether the money has been paid to the Kodan Head Office by the Chiyoda-ya Co., it is as stated in section III, above.

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VII. AS TO WHETHER OR NOT WRONG WAS DONE BY PERSONNEL OF KODAN OR OTHER GOVERNMENTAL AGENCY CONCERNED:

It is suspected that TOSHIO MITSUISHI, Adjustment Section, Saitama Office of the Tokyo Commerce and Industry Bureau, and HIROSHI KASAI, Chief of Saitama Branch Office, Industrial Rehabilitation Kodan, have supported the Chiyoda-ya Co. too much, almost unnecessarily, for selection of it as an agency for the Kodan, placing full-scale confidence in ISHIKAWA, then a candidate for the agent, and persuading the Chief of Saitama Office, Tokyo Commerce and Industry Bureau, to give his recommendation to ISHIKASA, and visiting in person the Kodan Head Office to recommend ISHIKAWA to the top-ranking officials of the Kodan. But the Omiya Municipal Police which has been charged with the investigation of this case, has not found out as yet any irregularities committed by them, nor has, on the other hand, concluded that there are no such irregularities.

It is supposed, however, that this problem is the very core of the investigations of this case, and so this HIA itself is making every possible effort for the investigation, the results of which will be reported immediately upon being found out. But it must be said that it is a very difficult task to carry out this investigation in a short period of time.

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VIII. AS TO CRIMINAL RESPONSIBILITY FOR DIVERSION OF GOODS THROUGH ILLEGAL CHANNELS:

It is beyond question, as stated above, that ISHIKAWA has committed the crimes of the breach of duty and misappropriation, and consequently it is a matter of course that he should be to blame for breach of duty and misappropriation in disposing of the goods illegally (as provided for by Articles 252 and 253 of the Criminal Code. And at the same time, his crimes of diverting the goods through illegal channels, are applicable to the violation of the Temporary Adjustment Law for Demand and Supply of Materials and of the Cabimet Ordinance for Control of Price, and consequently, in this respect, this EIA will take actions to indict ISHIKAWA, after consultation with the Omiya Municipal Police, upon the arrest of him.

K. Inoue

KENTARO INOUE
Director of Saitama EIA.

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SAITAMA PREFECTURAL ECONOMIC INVESTIGATION AGENCY

27 December 1949

SUBJECT: Activity Report for December and Schedule for January, Next Year.

TO : Kanto Civil Affairs Team.
ATTENTION: Mr. J. W. Jones

The activity report for December and the schedule for January, next year, of this EIA, are reported hereby to your Headquarters as follows.

I. Personnel Affairs.

II. Coordinating Meeting.

III. Liaison to Kanto Civil Affairs Team.

IV. Activity.

INCLOSURE:

I. "Inspection Program of "Sushi", Bread, Cakes, etc. Made of Staple Foodstuffs".

II. "Inspection for Prevention of Systematical Illegal Dealing of Staple Foodstuffs."

K. Inoue

KENTARO INOUE
Director of Saitama Pref. EIA

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I. PERSONNEL AFFAIRS

Personnel Number

Official Title	Class	Authorized Number	Present Number
Economic Investigator	1st class official	-	1
	2nd class official	23	19
	3rd class official	17	20
Prime Minister's Board Secretary	2nd class official	-	-
	3rd class official	2	2
Clerk		3	3
Employee (on daily basis)		2	2
Total:		47	47

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II. COORDINATING MEETING

1. Conference for Inspection of Charcoal:

Date ; December 6, 1:00 to 4:00 p. m.

Place : Public Hall at Chichibu Town.

Attendant : 2nd Division Chief and 9 other Economic Investigators, of this EIA.

Men of;

Chichibu Local Office.

Saitama Pref. Hqrs., NRP.

Chichibu Town Municipal Police.

Tobu Railroad Co.

Chichibu Railroad Co.

Agenda : a. Thoroughgoing education of new control methods.

b. Prevention from charcoal being diverted into illegal channels.

c. Securing of obligatory production. amount.

d. ~~Facilitating~~ of transportation.

2. Conference on Petroleum:

Date : December 15, 1:00 to 4:00 p.m.

Place : Chamber of Commerce and Industry in Omiya City.

Attendant : Around 100 persons.

2nd Division Chief and 4 other Economic Investigators of this EIA.

Men of;

Ministry of International Trade and Industry.

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Transportation Ministry.

Ministry of Agriculture and Forestry.

And representatives of sellers and demanders in this prefecture.

Agenda : a. Issuance of allocation certificates.

b. Actual amount stored at sellers and amount mentioned in their report documents.

c. Sale in advance.

d. Substitute rationing.

---

3. 14th Meeting of Economic Investigation Committee:

Date : December 16, 1:00 to 4:00 p.m.

Place : Saitama Pref. EIA

Attendant: 17 members of Committee.

Agenda : a. Interim report on the inspections of charcoal now being carried on by this EIA.

b. Reporting on inspections of soaps.

c. Program for inspections to be carried out at the end of this year and at the beginning of the coming year.

---

4. Conference on Wool and Woollen Products:

Date : December 23, 1:00 to 3:00 p.m.

Place : Saitama Pref. EIA.

Attendant: Saitama EIA:

2nd Division Chief.
2nd Materials Section Chief.
and 3 other economic investigators.

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Tokyo Regional EIA:

2 economic investigators.

Saitama Pref. Gov't.:9

Chief of Commercial Administration Section.

Chief of Industry Section.

And men of 10 woollen products manufacturing companies in this prefecture.

Agenda : a. Reporting on the results of the special inspection of wool and woollen goods recently carried out by this EIA.

b. Methods for controls on indigenous wool.

c. Upbringing of woollen textile industries in this prefecture.

---

5. "Special Council for Surveillance"

Above council has been newly established within the Saitama Prefectural Economic Investigation Committee, and its stipulations are as follows:

Stipulations of Special Council for Surveillance

Article 1: The Special Council for surveillance shall be established within the Saitama Prefectural Economic Investigation Committee for the purpose of consultation of the following matters.

1. Coordination and arrangement on inspection plan and economic controls.

2. Exchange of informations on economic investigations, economic controls and searches.

3. Consultation on indictment or prosecution.

4. And other necessary matters.

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Article 2: The Special Council shall be composed of a chairman and members of the council as follows. But, when deemed necessary, officials in charge of the matters concerned may be temporary members of the council.

Chairman : 1st Division Chief of Saitama Pref. EIA.

Member of Council : Economic Procurators of Urawa District Public Procurator's Office.

Chief of Crime Prevention Section, Saitama Pref. Headquarters, MRP.

Chief of Economic Section, Urawa Municipal Police.

Chief of 2nd Division, Saitama Pref. EIA.

Chief of General Affairs Section, Saitama Pref. EIA.

Chief of Foodstuffs Section, Saitama Pref. EIA.

Chief of 1st Materials Section, Saitama Pref. EIA.

Chief of 2nd Materials Section, Saitama Pref. EIA.

Article 3: Ordinary meetings of the Special Council shall be held once every week, when deemed necessary, extraordinary meetings may be held at any time.

Article 4: The Chairman of the Special Council shall preside over the meetings and shall report discussed and decided matters to the Economic Investigation Committee.

Article 5: The general affairs of the Special Council shall be managed by the General Affairs Section of the Saitama Pref. EIA.

Article 6: Necessary matters concerning the Special Council which are not provided in this stipulations, shall be prescribed by the Chairman after consultation with the members of the Council.

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III. LIAISON TO KANTO CAT:

Inspectors of the Kanto CAT visited and held a coordinating conference on December 15, 10:00 a.m. to 12:30 p.m. at the conference room of this EIA.

Attendant:

KCAT: Mr. Kemske, Chief of Economic Section.

Mr. M. Murashige.

Mr. R. A. Hashitani.

EIA : Director Inoue.

1st Division Chief Adachi.

2nd Division Chief Onuki.

Food Section Chief Soga.

1st Materials Section Furuya.

2nd Materials Section Yanagi.

Liaison Official Yasuda.

NRP : Crime Prevention Section Chief Kakegawa.

Urawa Municipal Police:

Commander Ibuka.

Economic Section Chief Ishikawa.

Agenda : a. Program for check and control of "sushi", bread, cakes, etc. made of staple foods.

The subject program made up in accordance with the instruction of the Tokyo Regional EIA, was submitted to the inspectors at the conference. Reference is made to Inclosure I attached hereto.

b. Prevention from staple foods being diverted into illegal channels.

The program for the simultaneous inspections carried out in Washinomiya Village, Minami, Saitama-gun, by this EIA collaboratingly with NRP on December 19 and 20, was submitted to the inspectors at the conference. Reference is made to Inclosure II attached hereto.

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C. Result of the investigations on rice held illegally in Kita-Saitama-gun.

The following results of the subject investigations conducted in 24 towns and villages there, were reported to the inspectors, at the conference.

Amount of Rice Held Illegally

..... 81,885 kgs. (¥2,201,342)

d. Length of time before the free sale of controlled marine products to unregistered consumers.

The "40 minutes" pointed out by the inspectors of Kanto CAT at the previous conference to have been mentioned by some fish-dealers in Omiya City, had been quite a mistake, and immediately this EIA had required the Prefectural Government here, which is competent and responsible for distribution of controlled marine products, to give a thoroughgoing education to the dealers about this problem, it was reported verbally to the inspectors.

e. Illegal reception of supplementary rice rations for laborers.

The results of the inspections carried out by this EIA from end of April to December 15, were reported verbally as follows.

Actual number of recipient

.....82,180 persons

Cumulative number of recipient

....642,826 persons.

Amount Received Illegally

....171,093.475 kgs.

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IV. ACTIVITY

1. Foodstuffs Section:

   a. ~~Inspection of~~ Investigation of Supplementary Rice Ration for Laborers:

      Number of cases inspected.....2

      Number of violation cases.....2

      Action taken:

         Adminished and written explanation required.....1

   b. ~~Inspector~~ Investigation of Staple Food:

      Number of cases inspected.....53

      Number of violation cases.....18

      Action taken:

         Admonished and written explanation required.....18

   c. ~~Inspector~~ Investigation of Marine Product:

      Number of cases inspected.....44

      Number of violation cases.....36

      Action taken:

         Admonished and written explanation required.....36

Remarks: The results of the simultaneous investigations conducted on December 19 and 20 in Washinomiya-mura, Minami-Saitama-gun for prevention from staple food being diverted into black-market channels, are still being put together, but will be reported to your Headquarters very soon.

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2. 1st Materials Section:

a. Inspection of Soap

Number of cases inspected.....8

Number of violation cases.....2

(Sale without coupon)

Action taken:

Undecided and carried over to next month.....2

8
1
1
4
6
5 6

b. Investigation of Concealed and Hoarded Goods:

Number of cases investigated 1

Illegal Goods Discovered electric copper.....30 tons

2
1
1
9
13

c. Special Investigation into "Chiyodaya Case".

The investigation into the Chiyoda-ya Co., agent for the Industrial Rehabilitation Kodan, located in omiya City, Saitama, and further into the said Kodan, which was specially and confidentially ordered by your Headquarters, has been so far carried out incessantly by 1st Materials Section Chief Furuya himself and is still going on.

3. 2nd Materials Section:

a. Inspection of Rubber Footwares:

Number of cases inspected.....1

Number of violation case 1

Action taken:

Undecided and carried over to next month.....1

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o. Inspection of Charcoal:

Number of cases inspected.....46

Number of violation cases..... 9

Action taken:

Admonished and written explanation required..... 6

Undecided and carried over to next month..... 2

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SCHEDULE FOR JANUARY, NEXT YEAR

1. General Affairs Section:

Date or Period	Event Scheduled
7 (Saturday)	General meeting of this EIA.
17 (Tuesday)	15th meeting of Economic Investigation Committee.
21 (Saturday)	General meeting of this EIA.
31 (Tuesday)	General meeting of this EIA.

.....

2. Foodstuffs Section:

Date or Period	Inspection Scheduled
From 4 to 7 :	Inspection of food catering business.
From 8 to 15 :	Inspection of bread, cakes, "sembei", etc.
From 16 to 20:	Inspection of staple food (with emphasis placed upon prevention of illegal diversion of rice into blackmarket channels)
From 22 to 25:	Inspection of marine products.
From 26 to 31:	Inspection of edible oil.

.....

3. 1st Materials Section:

Date or Period	Inspection Scheduled
From 1 to 15 :	Inspection of soaps
From 16 to 31:	Investigation of effects produced by previous inspection of petroleum.
From 1 to 15 :	Investigation of stored goods in the warehouses of the Agricultural Cooperative Association.

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From 16 to 31: Investigation of scrap iron.

.....

4. 2nd Materials Section:

Date or Period:	Inspection Scheduled
From 1 to 31 :	Inspection of charcoal.
From 15 to 31:	Investigation of effects produced by previous inspections of rubber foot wares.

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INCLOSURE I:

THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION AGENCY

(Foodstuffs Section)

13 December 1949

SUBJECT: Inspection Program of "Sushi", bread, Cakes, etc. Made of Staple Foodstuffs.

TO : Kanto Civil Affairs Team
ATTN: Mr. J. W. Jones.

I. Purpose of Inspection:

The subject inspection is projected, in accordance with the directive of Tokyo Regional EIA, for the purpose of eliminating unlawful sales of those "sushi", bread, cakes, etc. which are made of staple foodstuffs and of preventing staple foodstuffs from being dealt with through illegal channels, so that the enforcement of controls may be secured over staple foodsturfs.

II. Object of Inspection;

retailer shop

wholesale dealer

restaurant

maker

relative blackmarketing broker

carrier

III. Area Subject to Inspection:

The six cities of this prefecture will be inspected emphatically, and others as occasion calls.

IV. Period of Inspection:

For the time being following

December 14, 1949.

V. Emphasis of Inspection:

(1) To eliminate all visible violations concerning processed staple foodstuffs, such as "sushi", bread, cakes, etc., and at the same time to trace the channels through which staple foodstuffs are obtained, to get at the root of blackmarket dealings.

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(2) To uproot any and all of those made of rice, wheat and barley, regardless of quantity.

(3) To uproot any and all of those applicable to the following, even if made of miscellaneous cereals.

a. bread

b. "daifuku"

c. "manju"

d. "moneka"

e. cakes

f. sponge-cake

With exception of those "sushi" and bread which are commissioned by general consumers for processing.

VI. Method for Inspection:

(1) The subject inspection will be carried out in close coordination with the police authorities.

(2) To prevent leakage of the secrets of the inspections and to carry out the inspections mobily, the definite place and date of inspection will be decided, at each time as occasion calls, together with the police authorities.

(3) Inspection squads will be organized at each time when an inspection starts, so as to be in complete unity with police officials and to produce synthetic effects effectively.

VII. Disposition of Unlawful Goods:

Unlawful goods will be distributed to public work institutes (orphan-asylums and reformatories) and school childrens, through the Prefectural Government and each city offices.

VIII. Measure to be Taken to Violators:

Violators will be punished and sent to the Procurators' Office. sternly

KENTARO INOUE
DIRECTOR OF SAITAMA PREF. KIA

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

INCLOSURE II

THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION AGENCY

(Foodstuff Section)

15 December 1949

SUBJECT: Inspection for Prevention of Systematical Illegal Dealing of Staple Foodstuffs.

TO : Kanto Civil Affairs Team.
ATTN: Mr. J. W. Jones.

The Subject inspection is reported hereby to be conducted by this EIA collaboratingly with the Saitama NRP according to the following program:

I. Purpose of Inspection:

The subject inspection is projected, as counter-measures for prevention of blackmarket transportation of staple foodstuffs, for the purpose of exposing those unlawful acts which are being done systematically by groups of vicious food-hunters and producing farmers and by private collecting agencies operated by systematic groups of blackmarketeering brokers in the staple-foodstuff producing district, and of preventing such violations from being re-committed in future, so that the enforcement of controls may be secured over staple foodstuffs and at the same time the delivery program of this year's rice crops may be pushed indirectly to go on all right.

II. Period of Inspection:

December 19 & 20, 1949.

On the first day the inspection will be started simaltaneously at 3:00 p.m. But in case of rain, it will be postponed till the first fine day.

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III. Area Subject to Inspection:

Washinomiya-machi, Minami-Saitama-gun, Saitama, and its neighboring districts.

IV. Method for Inspection:

To carry out this inspection, it is born in mind that we must be strictly fair and impartial, respecting human rights, and refrain from acts of arrogance with much care not to go far beyond the limits of our power. But that we should repulse any kind of temptations and should not be daunted cowardly by other authorities or political powers.

A. Emphsis of Inspection

(1) To confiscate actual goods concerned.

(2) To secure the actual situation of black-market dealings by a precise comparison of account-books and actual goods.

(3) To probe thoroughgoingly into the situation of blackmarketeering brokers and habitual food-hunters.

(4) To confiscate any and all account-books and memorandums relative to blackmarket dealings. (Those account-books confiscated will be returned immediately after completion of investigation.)

B. Organization of Inspection Troop.

The Inspection troop is devided into two units of "Searching Unit" and "Watching Unit". And each unit is devided into several squads, each of which is organized by two or three economic investigators and police officials. (Reference is made to the list attached hereto:)

C. Duty of Inspection Personnel:

(1) Duty of Searching Unit:

The Seaching Unit will be dispached to the

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spot designated in advance and engage in search, seisure and investigation.

(2) Duty of Watching Unit:

The Watching Unit will be installed in the post disignated in advance and exclusively engage in watching over the movement of food-hunters and the flight of them out of the sphere subject to inspection, and at the same time engage in arrest of such runaways.

KENTARO INOUE
Director of Saitama Pref. EIA

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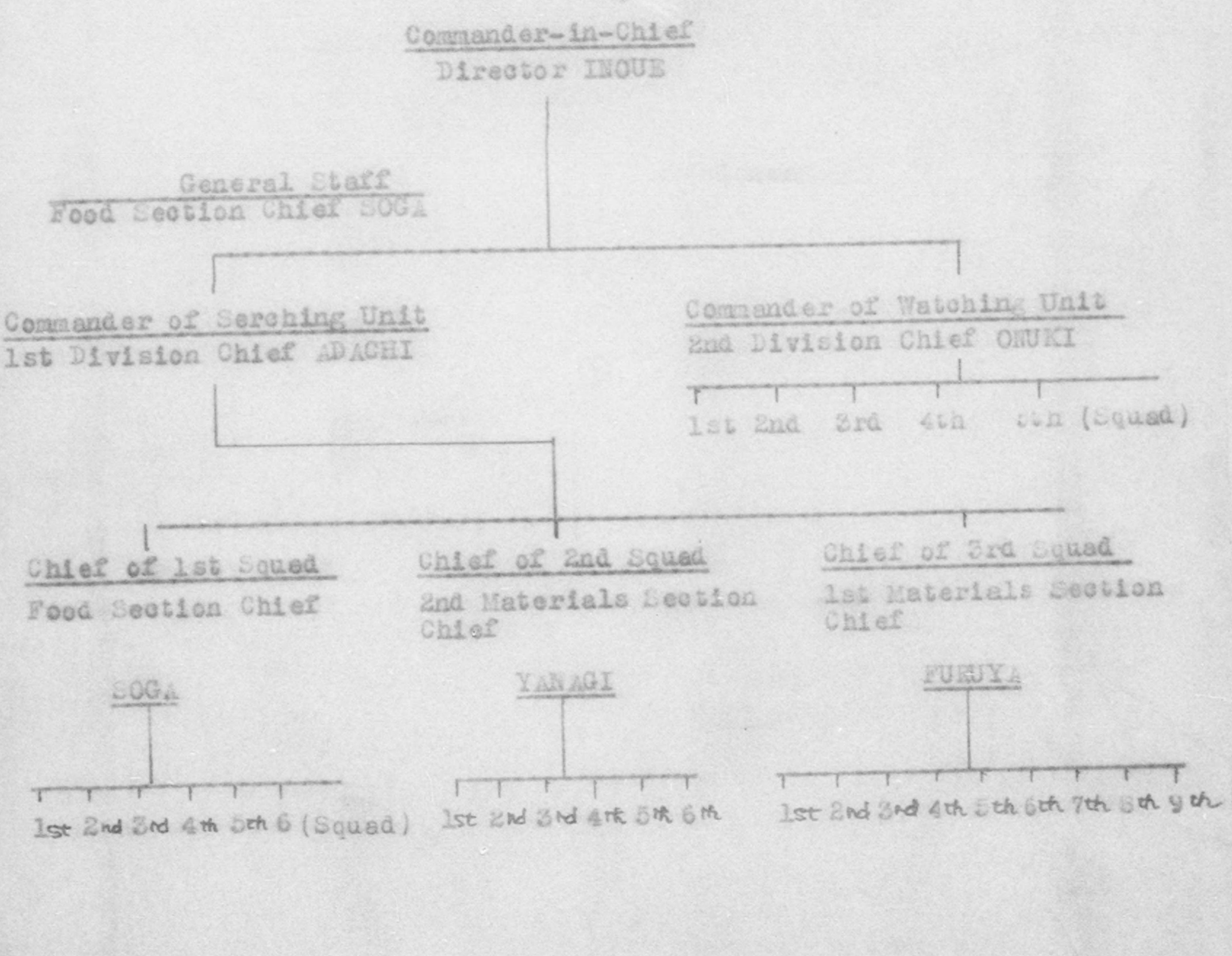
ORGANIZATION OF INSPECTION TROOP



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THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION AGENCY

(Foodstuff Section)

15 December 1949

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TO : Kanto Civil Affairs Team.
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The subject inspection is projected, as counter-measures for prevention of blackmarket transportation of staple foodstuffs, for the purpose of exposing those unlawful acts which are being done systematically by groups of vicious food-hunters and producing farmers and by private collecting agencies operated by systematic groups of blackmarketeering brokers in the staple-foodstuff producing district, and of preventing such violations from being re-committed in future, so that the enforcement of controls may be secured over staple foodstuffs and at the same time the delivery program of this year's rice crops may be pushed indirectly to go on all right.

II. Period of Inspection:

December 19 & 20, 1949.

On the first day the inspection will be started simaltaneously at 3:00 p.m. But in case of rain, it will be postponed till the first fine day.

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III. Area Subject to Inspection:

Saginomiya-machi, Minami-Saitama-gun, Saitama, and its neighboring districts.

IV. Method for Inspection:

To carry out this inspection, it is born in mind that we must be strictly fair and impartial, respecting human rights, and refrain from acts of arrogance with much care not to go far beyond the limits of our power. But that we should repulse any kind of temptations and should not be daunted cowardly by other authorities or political powers.

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The Searching Unit will be dispached to the

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(2) Duty of Watching Unit:

The Watching Unit will be installed in the post disignated in advance and exclusively engage in watching over the movement of food-hunters and the flight of them out of the sphere subject to inspection, and at the same time engage in arrest of such runaways.

K. Inoue

KENTARO INOUE
Director of Saitema Pref. EIA

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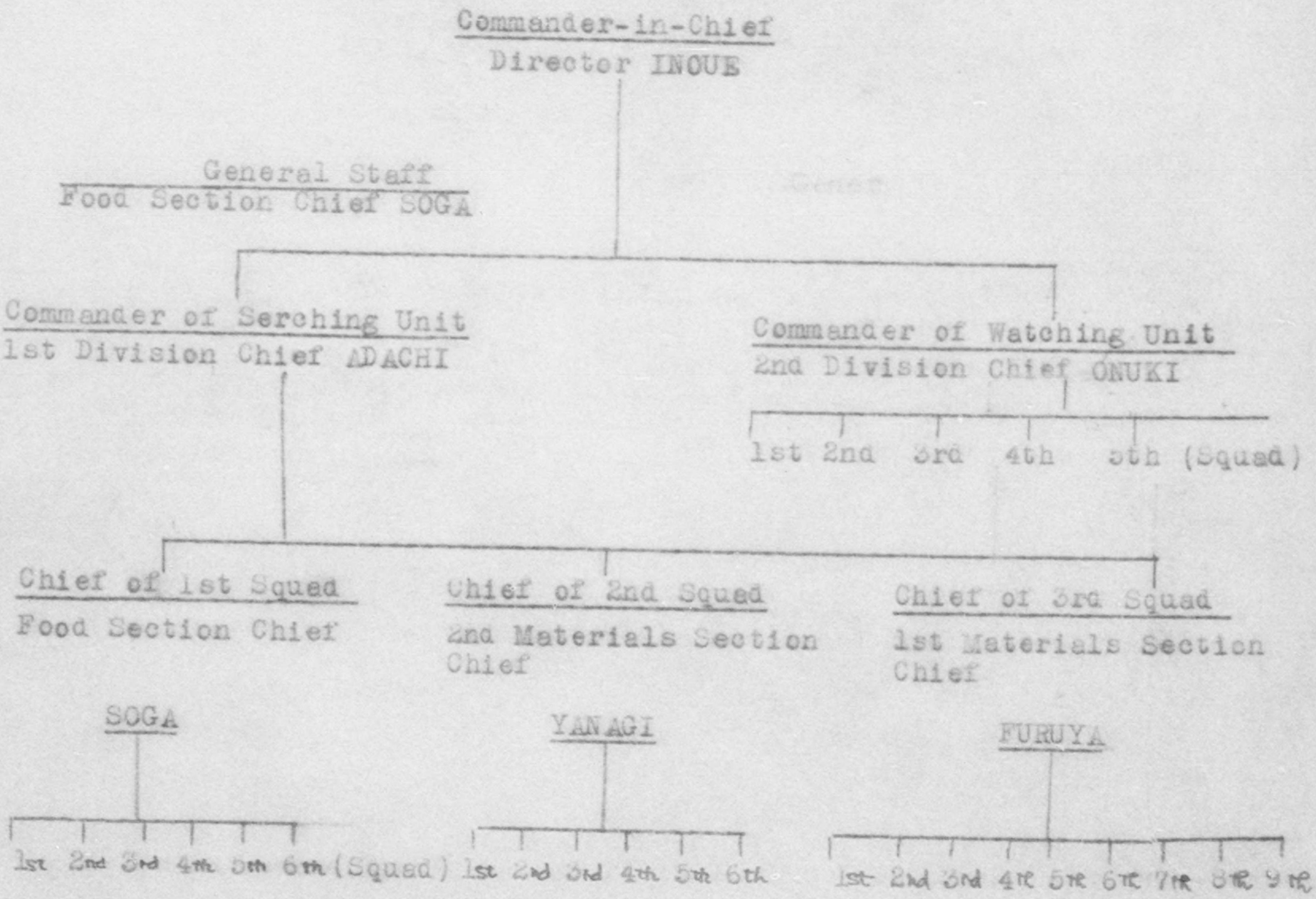
ORGANIZATION OF INSPECTION TROOP



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THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION AGENCY

(Foodstuffs Section)

15 December 1949

SUBJECT: Inspection Program of "Sushi", Bread, Cakes, etc. Made of Staple Foodstuffs.

TO : Kanto Civil Affairs Team
ATTN: Mr. J. W. Jones.

I. Purpose of Inspection:

The subject inspection is projected, in accordance with the directive of Tokyo Regional EIA, for the purpose of eliminating unlawful sales of those "sushi", bread, cakes, etc. which are made of staple foodstuffs and of preventing staple foodstuffs from being dealt with through illegal channels, so that the enforcement of controls may be secured over staple foodstuffs.

II. Object of Inspection;

retailer shop

wholesale dealer

restaurant

maker

relative blackmarketing broker

carrier

III. Area Subject to Inspection:

The six cities of this prefecture will be inspected emphatically, and others as occasion calls.

IV. Period of Inspection:

For the time being following

December 14, 1949.

V. Emphasis of Inspection:

(1) To eliminate all visible violations concerning processed staple foodstuffs, such as "Sushi", bread, cakes, etc., and at the same time to trace the channels through which staple foodstuffs are obtained, to get at the root of blackmarket dealings.

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(2) To uproot any and all of those made of rice, wheat and barley, regardless of quantity.

(3) To uproot any and all of those applicable to the following, even if made of miscellaneous cereals.

a. bread

b. "daifuku"

c. "manju"

d. "monaka"

e. cakes

f. sponge-cake

With exception of those "sushi" and bread which are commissioned by general consumers for processing.

VI. Method for Inspection:

(1) The subjext inspection will be carried out in close coordination with the police authorities.

(2) To prevent leakage of the secrets of the inspections and to carry out the inspections mobily, the definite place and date of inspection will be decided, at each time as occasion calls, together with the police authorities.

(3) Inspection squads will be organized at each time when an inspection starts, so as to be in complete unity with police officials and to produce synthetic effects effectively.

VII. Disposition of Unlawful Goods:

Unlawful goods will be distributed to public work institutes (orphan-asylums and reformatories) and school childrens, through the Prefectural Government and each city offices.

VIII. Measure to be Taken to Violators:

Violators will be punished and sent to the Procurators' sternly Office.

K. Inoue

KENTARO INOUE
DIRECTOR OF SAITAMA PREF. EIA

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

10/12/67

1. Ishihara Tokichi + geisha from Asakusa live on proceeds of Ishihara Kan started in 1947 manufacturing in Shinjuku & employ 5 others on his premises. Tsune Takagi. (Geisha name is Kayoko) Divorced in 1950 by his wife. Now living with 24 Sept 1950 so-called

2. Two employees here Mr. S. Takano - Director of Hanao Dentetsu Assn. in Nakinsa Tokyo
Mr. K. Ikeda - 38 yrs. - clothing Mfr. in Kyoda.

3. Kyoda visited on D.M. was employed on Kyoda machine + other goods + EIA. EIA ordered said I had work signed by Ishihara Kanzo + Shikata Isoo to purchase

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Kane got ~~a~~ list of ~~the~~ persons from Shimada. Shimada got the Kodan group to ~~get~~ go to Yokohama Co. (Chigoda Co. with Headquarters in Tokyo) & gave him the name to call. He got ~~the goods~~ illegally from August 27 September 20 which time he ~~was~~ away.

4. After ~~the~~ ~~[illegible]~~ came ~~[illegible]~~ with Sanyo ~~[illegible]~~ ~~[illegible]~~ Tokyo Kodan but no further evidence.

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THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION AGENCY

(1st Materials Section)

10 December 1949

SUBJECT: Scandal Case of Agency for Industrial Rehabilitation Kodan.

TO : Kanto Civil Affairs Region.
ATTN: Economic Section.

The results of the investigation into the subject case, previously required by the Chief of Administrative Inspection Division, Tokyo Regional EIA, on December 5th of this year, are reported hereby for information as follows:

1. Character of Agency for Kodan:

The Saitama Branch Office of the Chiyodaya Co., Agency for the Industrial Rehabilitation Kodan, made a contract for agency with the Head Office of the Kodan in February this year, by which the agency is contracted to act for the Kodan in such business affairs as taking over, purchasing up or custody of those goods to be purchased up by the Kodan, under the direction and supervision of the Kodan and at its own expenses, that is to say, depending upon no financing of money, such as advance money or loan, from the Kodan Head Office; and the agency pays the price for the goods taken over by it directly to the deliverer, but then it demands commissions for agency business from the Kodan Head Office. Upon reception of notes for purchase or taking over of the goods concerned from the Governmental Authorities concerned, the Kodan selects suitable agencies among those under the jurisdiction of it and makes

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them act for it in the business affairs of purchasing up or taking over the goods concerned, and the agencies act for the Kodan only in compliance with the directives of the Kodan, without any authority to take over or puchase up the goods concerned directly up the basis of the aforementioned note for purchase or taking over

II. Item and Amount of Goods Suspected of Having Been Misappropriated and Dealt With Through Illegal Channel:

The amount of the goods purchased up or taken over by the Chiyodaya Co. in compliance with the directive of the Industrial Rehabilitation Kodan, is still unknown in detail, because Toshiichi Ishikawa, Chief of the Chiyodaya Co.'s Saitama Branch Office, has not yet been arrested. Since September the Kodan has been making investigation of the amount of the losses brought about by the culprit upon the Kodan, and the following is the amount of goods so far confirmed by the Kodan to have been misappropriated and dealt with through illegal channels.

News about this scandal case, reported in each newspaper dated 17 November 1949, are put on here for reference and comparison.

(1) The "Saitama" Newspaper says in the second page that the goods exposed by Police and Surplus Goods (as provided for by Surplus Goods Utilization Regulation) amounting to approximately one hundred million yen (¥100,000,000) were disclosed to have been misappropriated and dealt with through

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illegal channels.

(2) The "Asahi" says in its "Saitama Column" that goods worth five million yen (¥5,000,000) (¥30,000,000 as calculated in current prices) were dealt with through illegal channels.

(3) The "Mainichi" says in its "Saitama Column" that goods worthy of five million yen (¥5,000,000) at official prices (but of more than ¥30,000,000 in current prices) were dealt with through illegal channels.

(4) The "Yomiuri" says in its "Saitama Column" that fifteen million yen (¥15,000,000) was misappropriated.

But, according to the results of the investigation conducted by the Kodan, the sum of money to be paid by the Chiyodaya Co. to the Industrial Rehabilitation Kodan for the goods thus dealt with illegally by the culprits, has proved to total ¥4,857,791.29, as can be seen in the following lists.

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A) Specification of 180 Cases of Police-controlled Goods Purchased up by Industrial Rehabilitation Kodan:

Item	Number of Cases Handled by Amagi Sangyo K. K., Agency for Kodan: ..... 9 cases		Number of Cases Handled by Chiyoda-ya Co., Agency for Kodan: ..... 99 cases		
	Amount	Whether Goods are Stocked now or Not?	Amount	Whether Goods are Stocked Now or Not?	Sum of Money to be Paid to Kodan
Soap	761 pcs	Goods exist now actually.	-	-	
Petroleum products	21 drums	"	-	-	
Hemp yarn	2,600 lbs	"	-	-	
Sewing thread	36 pcs & 9 lbs	"	972 pcs &32 lbs	Dealt with illegally.	
Textile goods	142.5 yds	"	3,700 yds	"	
Textile goods	77 rolls	"	371 rolls & 41 ft.	"	
Textile goods	582 pcs	"	4,300 pcs	"	¥1,734,542.79
Tire and Tube	14 pcs	"	-	-	
Alcohol	-	-	12 cans	Goods exist now actually.	
Rubber thread	-	-	17.100 "Kan"	"	

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A) Specification of 180 Cases of Police-controlled Goods Purchased up by Industrial Rehabilitation Kodan:

Item	Number of Cases Handled by Amagi Sangyo K. K., Agency for Kodan: ..... 9 cases		Number of Cases Handled by Chiyoda-ya Co., Agency for Kodan: ..... 99 cases		
	Amount	Whether Goods are Stocked now or Not?	Amount	Whether Goods are Stocked Now or Not?	Sum of Money to be Paid to Kodan
Soap	761 pcs	Goods exist now actually.	-	-	
Petroleum products	21 drums	"	-	-	
Hemp yarn	2,600 lbs	"	-	-	
Sewing thread	36 pcs & 9 lbs	"	972 pcs & 32 lbs	Dealt with illegally.	
Textile goods	142.5 yds	"	3,700 yds	"	
Textile goods	77 rolls	"	371 rolls & 41 ft.	"	
Textile goods	582 pcs	"	4,300 pcs	"	¥1,754,543.79
Tire and Tube	14 pcs	"	-	-	
Alcohol	-	-	12 cans	Goods exist now actually.	
Rubber thread	-	-	17.100 "kan"	"	

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B) "Illegally Held Goods" Commissioned for Sale:

Number of cases handled by the Kodan ..... 12 cases

Number of cases handled by the Chiyoda-ya Co. ..... 12 cases

Item	Amount of Goods Purchased up	Amount of Goods in Storage	Amount of Goods Dealt with Illegally	Sum of Money to be Paid to the Kodan
Textile goods	184 rolls	101 rolls	83 rolls	
"	3,838 pcs	1,418 pcs	3,420 pcs	¥289,906.22
"	115 yds	-	115 yds	
Heavy oil	2 drums	2 drums	-	

C) "Voluntarily Delivered Goods":

Number of cases handled by the Kodan ..... 36 cases

Number of cases handles by the Chiyoda-ya ..... 72 cases

Item	Amount	Amount of Goods Dealt with Illegally	Amount of Goods in Storage	Sum of Money to be Paid to Kodan
Textile goods	361 "kan"	9 "kan"	251 "Kan"	
"	43,090 pcs			
"	38,322.6 yds	15,400 yds		¥879,341.28
"	148 items	148 items		

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D) "Surplus Goods" Commissioned for Sale: ..... 329 cases

Number of cases handled by the Chiyoda-ya Co. ..... 88 cases
(including 13 cases of goods being dealt with through illegal channels)

Item	Amount of Goods Purchased up by Kodan	Amt. of Goods Sold Legitimately	Amt. of Goods in Storage	Amt. of Goods Dealt with Illegally by Chiyoda-ya	Sum of Money to be Paid to Kodan
Common steel	121.177 tons	-	121.177 tons	-	
Iron goods	44.685 tons	-	44.685 tons	-	
Textile goods	11,486.4 lbs	-	6,876.6 lbs	4,609.8 lbs	¥300,000
"	7,700.0 yds	-	-	7,700.0 yds	
"	4,359.06 "kan"	217.3 "kan"	4,128.56 kan	13.2 kan	
"	394.95 kgs	-	297.05 kgs	37.9 kan	

E) Other Goods Confirmed by Kodan to Have Been Dealt With Illegally by Chiyoda-ya Co.:

Item	Amount of Goods	Sum of Money to be Paid by Chiyoda-ya to Kodan
Textile goods	390 dzs	¥1,434,000.00
Textile goods	733 rolls	
Cotten yarn	177.572 kan	
Fur	400 sheets	
Silk-mixed cotton yarn	400 lbs	
Scrap iron	157.5 tons	
Gasoline	2 drums	

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F) Total Sum of Money to be Paid by the Chiyoda-ya Co. to the Industrial Rehabilitation Kodan:

..... ¥4,857,791.29

NOTICE: The above amount of goods and sum of money are based upon the investigation results of the Kodan, but it is added that these figures may be changed more or less by further investigations, as the Kodan is still making every possible effort to get more particulars about this case.

In addition, last but not least, the point as to whether men of the Industrial Rehabilitation Kodan are involved in this case or not, is unknown at present, as the chief culprit, Toshiichi Ishikawa, has not yet been arrested in spite of Police arrengements having been made throughout this country for the arrest of him.

FOR DIRECTOR OF SAITAMA PREF. KIA:

T. Furuya
Tatsuo Furuya
Chief of
1st Materials Section

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 77501/3

Situation of Economic violation

December

Foodstuffs section

Number of violation	Violator	Address	Applicable regulation	Disclosed goods	Amount	Action taken
1-54	Kaneko Fusakichi and 53 persons concerned.	53 Fujimi-cho, Minatoku, Tokyo.	Foodstuffs control law.	Staple food	909 kg. ¥34,888	Transfer (Prosecuted)
55-133	Unknown (Abondaned in train)		"	"	544 kg. ¥24,440	Confiscation
134-143	Sakai Midori and 9 persons	536, Yoko-machi, Tsuchiura City.	Price Control Ordinance.	Bread and cake.	45.170 kg. 1,204.40	Transfer (Purchaseed)
144-166	Yamamoto Toshio and 22 persons	Higashi-machi, Hitachi City.	"	"	84.990 kg. 2,266.40	"
167-174	Kihara Tsuneyoshi and 7 persons	Inari-cho, Shimodate-machi.	"	"	4.540 kg. 121.04	"
175-180	Komori Chiyo and 5 persons	196, Iwase-machi,	"	"	11.770 kg. 313.84	"
181	Nakajima Matsutaro	Kawama-mura, Makabe-gun.	"	Bread and cake	197.530 kg. 4,580.32	Prosecution pending.
				Flour	462.00 kg. 17,281.00	"
182-184	Kawamura Fuyo and 2 persons	179, Ami-machi, Inashiki-gun.				Admonished

Remarks: 1-133 are made up a bundle as restraining a train and a ferry-boat.

1	Toi Shizue	Yuki-machi, Yuki-gun.	Temporary Restaurant Business Control Law.			Transfer (Admonished)
2	Suzuki Ko	2116, O se, Hitachi City.	"			"
3	Gomita Sai	Kasama-machi, Nishi-Ibaraki-gun.	"			"
4	Gonno Toshio	Inari-cho, Shimodate-machi.	"			"
5 1-13	Sakamoto Shinzaburo and 12 persons.	Koga-machi, Sashima-gun.	Fresh Marine Products Distribution Regulation.			Admonished.
	Material Section I					
1-4	Watanabe Kojiro and 3 persons concerned.	Kuji-machi, Kuji-gun.	Temporary Materials demand and supply adjustment law. Regulation concerning the distribution of household soap.	Soap		Undecided.
5	Kameshita Jinshiro	Ishioka-machi, Niihari-gun.	"	"		"
	Material Section II					
1-26	Sato Makoto and 25 persons concerned.	Isohara-machi, Taga-gun.	Temporary Materials demand and supply adjustment law. Price Control Ordinance.	Charcoal (5153 bales)	¥ 853,917	Prosecuted.

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27	Mashiko Toramatsu	Kosato-mura, Kuji-gun.	"	Under investigation.
28	Takakura Yoshitsugu	"	"	"
29	Toyoda Kikumatsu	"	"	"

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DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

1 Dec. 49.

Subject: "Report on the Result of Enforcement of Economic Law"

To : Kanto Civil Affairs Region

From : Chief of Police, Gyoda-shi, Saitama Pref/

1. Result ofEnforcement during November.

a. Number of checks made.

Staple food ---------- 4

Foodstuff made from staple food ------- 1

Frsh fish ---------- 3

Transportation of controlled goods ---- 1

Eating and drinking establishments ---- 1

Street stalls ---------- 2

b. Violations

Offence	Enforcement No. of cases	Enforcement No, of persons	Case forwarded to Procurator No.of cases.	Case forwarded to Procurator No. of Persons
Staple food	25	25	7	7
Price	19	19	13	13
Temporary Supply&Demand Material Adj. Law.	8	8	7	7
Total	52	52	27	27

Disposition of confiscated goods.

Polished rice ----------	121 kg.	Turned over to Kodam
Soy beans ----------	30 kg.	" " " "
Fresh fish ----------	101 kg.	Sold at Official Price
Cakes ----------	230 kg.	" " " "
Textiles ----------	40 yds.	Turned over to SFK

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行経発第三四一號
昭和二十四年十二月一日

行田市警察署長

埼玉縣行田市警察署長

関東民事部 御中

経済取締結果報告について

本年十一月一日より三十日間に埼玉縣行田市警察署で行った経済取締の結果は別表の通りでありますから報告致します。

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一、経済取締回数

主食ニ関シテハ	四回
主食製品ニ関シテハ	一回
鮮魚ニ関シテハ	三回
指定物資ノ輸送ニツイテハ	一回
飲食店ニ関シテハ	一回
露店ニ関シテハ	二回

二、犯罪数

	取締件数	取締人員	送致(含見込)件数	送致(含見込)人員
別	二五	二五	七	七
食糧管理法	一九	一九	一三	一三
物価統制令	八	八	七	七
臨時物資需給調整法	五	五	二	二
計	五二	五二	二七	二七

三、行政処分申請数 ナシ

備考 告訴ヲ受ケタ数 三

聖葉シタ数

食糧管理法	物價統制令	臨時物資需給調整法	計
二五	一九	八	五二
二五	一九	八	五二
七	一三	七	二七
七	一三	七	二七

備考　告訴ヲ受ケタ数　ナシ

監察シタ数　三

三、行政処分申請数　ナシ

四、違反品処分

種類	数量	処分(含見込)	備考
精米	一二一kg	食糧公団渡し	
雑穀(大豆)	三〇kg	仝右	
鮮魚	一〇一kg	公價販売	
菓子	二三〇kg	仝右	
織物	四〇Y	復興公団渡し	

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DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION AGENCY
(General Affairs Section)

YASUDA

30 November 1949

SUBJECT: Report on Activities of Saitama Pref. EIA

TO : Kanto Civil Affairs Region.

ACTIVITY FOR NOVEMBER 1949

I. Supply and Equipment of Office:

The conference room, warehouse, library room, and investigation room which had been under construction since last month, were completed on the 20th of this month.

II. Condition of Personnel:

1. Present Number of Personnel by Rank and Class:

Second class official	20 persons
Third class official	22 persons
Clerk	3 persons
Employee	2 persons
Total	47 persons

2. Number of Personnel by Section:

Director of Agency	1 person
Division Chief	2 persons
~~Secretariat Room~~	~~3 persons~~
General Affairs Section	13 persons
Foodstuffs Section	10 persons
1st Materials Section	11 persons
2nd Materials Section	10 persons

III. Educating of Economic Investigator:

1. Reference books and magazines on economics are distributed or circulated among all economic investigators within this Agency.

2. Timely educatings are given to economic investigators by Director, Division Chiefs, or Section Chiefs.

3. An educating lecture titled "Concerning Spirit of Economy", was given to the economic investigators of this Agency by Mr. Tokutaro Murakami, President of the Tohkoh Shoin School, on Saturday 20th, inst.

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IV. Coordination with Police and other Administrative Agency:

Good coordination is established with NRP, the Prefectural Government and other control agencies, through the Meeting of the Economic Investigation Committee and other sectional meetings.

V. Liaison to Civil Affairs Region:

1. The inspectors of the Kanto Civil Affairs Region, Messrs. Jones and Marcello and Mizukami, visited this Agency on Friday 25th, inst., and held confabs with the representatives of this Agency and other Governmental agencies, about the following subjects.

Subject of Confab

a) Coordination between EIA and Police and other Governmental agencies.

b) Intensification of food controls.

c) Elimination of blackmarket foodstuffs.

d) Rationing of staple foods.

e) Distribution of insentive goods for over-quota delivery of rice, barley and wheat.

f) Allocation of fertilizer.

Those Present at Confab

EIA:
1st Division Chief, Adachi
2nd " " , Onuki
General Affairs Section Chief, Kubo
Foodstuffs Section Chief, Soga
1st Materials Section Chief, Furuya
2nd Materials Section Chief, Yanagi
Liaison Official, Yasuda

Others:
Prefectural Food Section Chief, Takatsu
Vice Chief of Saitama Food Office, Ministry of Agriculture, Watanabe
NRP Chief, Inoue
Procurator of Urawa District Public Procurators' Office, Takeuchi
Ditto , Takei

2. This EIA was ordered specially and confidentially by Mr. Raymond A. Hashitani, Vice Chief of Economic Section, Saitama Civil Affairs Team, on 12 October 1949, to make investi-

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gation of the suspected corruption cases committed between the Occupations Workers Welfare Association, in Urawa City, Saitama, and the Saitama Prefectural Government, in connection with the release of the ex-Army goods, such as old lead and hemp, at the Kawagoe Arsenal and with the release of the hangars and machine tools of the former Takahagi Air Field, at Takahagi-mura, Iruma-gun, Saitama. And 1st Materials Section Chief Tatsuo Furuya of this EIA succeeded in completing this difficult investigation almost by himself, and the report, subj.;"Investigation into Scandal of Occupations Workers Welfare Association and Its Circle", dated 30 Nov.'49, as attached hereto, was submitted to the Government & Legal Section, Kanto Civil Affairs Region, through Mr. Raymond A. Hashitani, on the 30th of this month.

VI. Operation of Economic Investigation Committee and other Major Meeting:

1. The Meeting for November of the Economic Investigation Committee was held at the conference room of this EIA on Friday 18th inst., the major subject of which was about the controls over staple foodstuffs.

2. A Sectional Meeting on food problems (the 2nd Sectional Meeting of the Economic Investigation Committee) was held at the conference room of this EIA on Monday 14th, inst. The subjects of the meeting are as follows:

Subject of Sectional Meeting

a) Concerning measures to be taken following the rivision of the Regulation for Rationing of Controlled Marine Products.

b) Concerning enforcing conditions of the Temporary Adjustment Regulation for Food Catering Business.

c) Concerning delivery of 1949 year's rice crop.

VII. Publicity and Guidance for Enlightenment of People At Large:

1. As a means to guide the general public to the rationalization of consumer's livelihood, this EIA guided the "Consumers' Association" to hold bazaars of daily necessities for the purpose of utilization of idle goods.

2. These bulletin boards and contribution boxes as shown on the attached paper and sketch, were installed up in front of the stations of Urawa, Omiya, and Kumagai, as a means to seek public cooperations with the activities of this EIA and also to survey public opinions.

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5. Leaflets concerning controls over marine products and rubber goods (shoes, etc.) were made up and distributed among general consumers in this prefecture, to awaken them to such economic controls.

VIII. Enforcement and Effect of Economic Inspection:

1. Concerned with Foodstuffs Section:

a) Inspection for uprooting of the illegal reception of supplementary rationed rice for laborers.

b) Inspection of flour milling and barley refining processors.

c) Inspection of controlled marine products.

Effect: There has been a much sharper decrease in number of violations in this month than last.

2. Concerned with 1st Materials Section:

a) Inspection of petroleum.

3. Concerned with 2nd Materials Section:

a) Inspection of rubber goods (shoes, etc.)

b) Inspection of charcoal

Disposition of Violation Case

Classification	Number of case Investigated	Number of Violation Case	Warning given & Written Explanation required	Number of Case Indicted	Number of Case Transferred
Supplementary rice for laborer	17	10	10	1	-
Flour milling & barley refining	7	2	1	-	-
Marine products	9	-	-	-	-
Petroleum products	15	4	-	-	-
Rubber shoes	35	10	6	-	3
Charcoal	16	-	-	-	-
Total	99	26	17	1	3

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IX. Disposition of Illegal Goods:

Name of Goods	Amount	Price	Remarks
Canteen strap	7 packages	unknown	still under investigation

X. Special Major Violation Case:

There has been none in this month.

K. Inoue

KENTARO INOUE
Director of Saitama Pref. EIA

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REPORT ON INVESTIGATION INTO SCANDAL OF OCCUPATIONS
HOUSING WELFARE ASSOCIATION AND ITS CIRCLE

SAITAMA PREF. ED.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION AGENCY

(1st Materials Section)

30 November 1949

SUBJECT: Investigation into Scandal of Occupations Workers Welfare Association and Its Circle.

TO : Kanto Civil Affairs Region.

The results of the investigations into the scandals of the Occupations Workers Welfare Association and its circle, ordered specially by Mr. Raymond A. Hashitani, Vice Chief of Economic Section, Saitama Civil Affairs Team on 12 October 1949, are reported hereby to your Headquarters as follows:

1. Investigator:

Economic Investigator Tatsuo Furuya,
Chief of 1st Materials Section,
Saitama Prefectural EIA.

2. Period of Investigation:

From 12 October to 16 November 1949.

3. Person Investigated:

Those concerned with the scandal cases created in connection with the release of the ex-Army goods at the Kawagoe Factory of the former Tokyo 1st Military Arsenal and the rent of the buildings of the former Fukaheki Air Field, at Fukaheki-mura, Iruma-gun, Saitama, to the Occupations Workers Welfare Association, at Urawa City, Saitama.

4. Exemption from Investigation:

Though connected closely with the subject scandal cases, those persons belonging to the Saitama Civil Affairs Team are exempted from the investigations of this Board, which has no lawful power to make investigation of such persons.

5. Name and Position of Person Suspected of Forming Crime:

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Suspected of giving bribes:

Jun Yatabe, Chief Director of
Occupations Workers Welfare Association.

Benji Yokoi, ex-president of
Same association.

Kaoru Tamura, managing director of
Same association.

Suspected of taking bribes:

Keizo Akimoto, Chief of Liaison Section,
Saitama Prefectural Government.

Junzo Kanai, Vice Chief of same
section.

Teiso Kawano, official in charge
of welfare business for
Occupations workers, of same section.

Shigeru Arai, Chief of End Custody
Section, Urawa Branch Office of
Finance Bureau, Finance Ministry.

Suspected of aiding and abetting to
bribery:

Kaoru Tamura, Managing Director of
Occupations Workers Welfare Association.

Suspected of Swindling:

Jun Yatabe, Chief Director of
same association.

6. Name and Position of Person Connected with Case but Not Forming Crime:

Tokugi Moshino, Chief of
Reparations Section, Saitama
Prefectural Government.

Taizo Kawaraba, official of
Kawagoe Branch of Finance Bureau.

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7. Contents of Investigation:

As can be seen in the letter attached hereto as Inclosure I.

8. Opinion to Subject Case:

As can be seen in the letter attached hereto as Inclosure II.

Hideharu Inoue
Director of Saitama Pref. SIA.

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INCLOSURE 1

CONTENTS OF INVESTIGATION INTO
PRIBERY AND GRAFT CASE

Concerning Mr. Jun Yatabe, Chief Director
of Occupations Workers Welfare
Association.

1. Mr. Jun Yatabe established a firm named the " 'Meriken Top" Co. Ltd at No. 11b, 1-chome, Takasago-cho, Urawa City and, as president of the firm, was engaged in sales of musical instruments, and on the other hand, in July or thereabouts of 1948, he took part, as informal director, in the Occupations Workers Welfare Association which had been established for the purpose of rationing of welfare goods and planning of welfare facilities for Occupations workers in Saitama and Gunma Prefecture and had been licensed by the Governor as a Prefectural licensed agency acting for the Liaison Section. And in March of this year, he was elected to be managing director at the general meeting of the Association and held the real power of it as the supreme responsible person thereof.

2. In July of last year, when Mr. Yatabe went to the Kawagoe Factory of the former Tokyo 1st Military Arsenal, at Fukaana-mura, Iruma-gun, Saitama, together with his acquaintance, Mr. Kenro Mino, President of the Heiwa Kanggyo K. K., at Kawagoe City, who was going to make negotiations for partial release of the buildings of the Kawagoe Arsenal (By the way, his petition for the partial release was disapproved in December 1948), Mr. Yatabe heard from Mr. Teino Kawaraba, Custodian of the said arsenal, of the fact that there were kept remaining there a great amount of ex-army goods which were to be returned to the Japanese Government from the Occupation Forces. And he started establishing connections with those circles concerned, for release of the said goods.

3. In early December of last year, Mr. Yatabe inquired Mr. Teino Kawaraba again and made sure that there existed actually those ex-army goods such as old lead, hemp, iron, paper, etc. in the arsenal, and also knew the actual amounts of such items of goods. Then, with an intention of being granted the release of those goods in the name of the Occupations Workers Welfare Association in which he held the position of Chief Director, Mr. Yatabe called on Mr. Keizo Akimoto, Chief of Liaison Section, at his office of the Saitama Prefectural Government, who is a real younger brother of Mr. Konaburo Akimoto, director of the said association, and there asked him to use his influences for release of the goods. Mr. Akimoto listened to Mr. Yatabe's request and promised to help

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him hereafter, and then introduced him, at the same office of the Liaison Section, to Mr. Minoru Kobayashi, interpreter of the Saitama Military Government Team, who was there in charge of ex-Army goods to be returned to the Japanese Government, and Mr. Kobayashi, too, listened to Mr. Yatabe's request and promised to help him hereafter. At the same time here, Mr. Yatabe asked them to use their influence, in his behalf, for the possible release of the hangars of the former Fukaosagi Air Field, too, of which he had been told by Mr. Shigeru Arai, then Chief of End Custody Section, Urawa Branch Office of Finance Bureau, Finance Ministry, with whom Mr. Yatabe had gotten acquainted through the introduction of Mr. Renzo Mino, mentioned in paragraph 1, above. And Mr. Yatabe obtained their consent to his request for this matter, too.

4. Then Mr. Yatabe asked Mr. Shigeru Arai, of Finance Bureau, to the same effect and got his consent, too.

5. Mr. Yatabe recognized that the Prefectural Liaison Section was closely connected with his association in business and so it was very necessary to keep good communication with the said section, and he came along to the office of the section almost all the times. Among all other persons of the section, he tried to keep in good touch with Mr. Teino Kawano, chief official in charge of welfare business for Occupations workers. And to get Mr. Kawano's consent for seeing that everything would be done properly in management of the business of the association, Mr. Yatabe offered him ¥50,000 in cash under the name of loan and, besides, spent about ¥100,000 on entertainments for Mr. Kawano at the "Black Cat", restaurant, at Naka-cho, Urawa City, and others.

6. Then Mr. Yatabe started maneuvering for the release of the old lead and other goods at the Kawagoe Arsenal, approaching persistently Mr. Minoru Kobayashi and Mr. Keizo Akimoto. On 30 April of this year, when he met together with Mr. Akimoto and Mr. Kobayashi at Mr. Kobayashi's office of the Saitama Military Government, Mr. Yatabe was told by Mr. Kobayashi that the goods in question had been returned to the Prefectural Government by the Saitama MGT and so an application for the release should be sent in without delay. On May 4, at the office of the Liaison Section Mr. Yatabe conferred with Mr. Kobayashi and Mr. Akimoto about the applications to be sent in for the release of the subject goods, and there made up the draft of the application collaboratingly with Mr. Akimoto and asked Miss Kiyo Fezuka, typist for Japanese typewriter, of the same section, to type it up, and he handed the finished application to Vice-chief Tateoka of the Prefectural Disposal Section. Declared by Mr. Akimoto that he would approach Mr. Kariharu, Chief of the Disposal Section, to see to it that everything would be done properly for the release of the goods in question, Mr. Yatabe was more and more convinced that the release of the subject ex-Army goods at the Kawagoe Arsenal would be sure to be granted to him. And so, for the purpose of expressing his gratitude to those

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persons who were concerned with this release problem and at the same time asking for their more favors and help in future, Mr. Yatabe invited to the "Pompei", restaurant and hotel, at Omiya, Mr. Keizo Akimoto, Chief of Liaison Section, Mr. Fumugi Moshino, Chief of Reparations Section, Mr. Junzo Kanai, Vice-Chief of Liaison Section, Mr. Shigeru Arai, Chief of 2nd Custody Section, Urawa Branch Office of Finance Bureau, and Mr. Minoru Kobayashi, interpreter of Saitama MGT, spending a total sum of ¥35,000 on entertainments and pleasure-makings for them. Afterwards, Section Chief Akimoto negotiated several times with Mr. Narihara, Chief of Prefectural Disposal Section, about the release problem, and yet, as just in those days the public attention was being focused on the Governor Kishimura's Concealed and Hoarded Goods Case of which exposure was going on within the Saitama Prefectural Government, the Disposal Section rejected Mr. Yatabe's application in late May, for the fear of exciting suspicions of the public. Thus the release of the subject old lead and other goods to the Occupations Workers Welfare Association ended in failure.

7. Prior to this, on December 20 or thereabouts of last year, Mr. Yatabe was convinced, judging from the affirmative words of Messrs. Akimoto and Kobayashi, that the release would be sure to be granted to him, he made a contract with the Tokyo Lead Refining Co., Ltd., at No. 15, 2-chome, Kojima-cho, Asakusa, Daito-ku, Tokyo, to sell the subject 40 tons of old lead to it, when released, for ¥1,024,000 @ ¥25,600 per ton, and on December 30, at the office room of the "Meriean Top" Co. which was run by him, Mr. Yatabe received ¥300,000 of hand-money in advance from Mr. Kumataro Watanabe of the Tokyo Lead Refining Co. And he put in ¥200,000, out of the ¥300,000 of hand-money, to the Occupations Workers Welfare Association, ¥200,000 to his "Meriean Top" Co., and financed ¥100,000 to the Heiwa Sangyo K.K., mentioned in paragraph 1 above. But when the said release problem ended in failure in May this year, then Mr. Yatabe, for fear of his swindle case being exposed, came to Mr. Shigeru Arai, Chief of 2nd Custody Section, Urawa Branch Office of Finance Bureau, which had already had the old lead previously removed from the floor of the building at the Kawagoe Arsenal, returned from the Prefectural Disposal Section, and requested him to release the old lead to the Tokyo Lead Refining Co. Section Chief Arai, consenting to his request, released 10 tons and 180 kgs. of the lead to the Tokyo Lead Refining Co. and 14 tons and 400 kgs. to the Nagiwara Metal Co., at No. 5, 2-chome, Sudo-cho, Kanda, Chiyoda-ku, Tokyo, both in exchange for allocation coupons. Meanwhile, as he had failed to pay back ¥300,000, Mr. Yatabe was accused of a crime of swindling by Mr. Kumataro Watanabe of the Tokyo Lead Refining Co., and on July 5 was placed under detention at the Urawa Municipal Police Station, and on July 8 he was sent to the Urawa District Procurators' Office. But Procurator Takeuchi of the said Procurator's Office, after consultation with Judge Kinoshita, dropped the case and let him off within the same day, with the proviso that he would pay back the money.

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8. In addition to these, Mr. Yatabe diverted to the Yatsumoto-mura Agricultural Cooperative Union, at Yatsumoto-mura, Osato-gun, Saitama, through blackmarket channels, the 1,000 sheets of blankets allocated specially for Occupations workers by the Special Procurment Board through the Prefectural Liaison Section in February of this year, and made illegal profits amounting to ¥200,000, which was put into the funds of the " 'Merican Top' Co., managed by him. (this case is at present under trial at the Kumagaya District Court.) Besides, on February 3 of this year, under the name of his association, he submitted to the Urawa Branch Office of Finance Bureau, Finance Ministry, an application for borrowing of the hangars of the former Takahagi Air Field, covering a ground of more than 4,800 "tsubo", at Takahagi-mura, Iruma-gun, Saitama, and also of the machine tools there, together with Governor's recommendation which was given to his application by the good offices of the Prefectural Liaison Section. Thus the buildings and ground of the said air-field were granted to be lent to his association on June 22 of this year, and the 31 pcs. of machine tools on July 14.

9. It is quite evident that those things stated above are real facts, as we have enough evidences for them, and also he himself admits them in his affidavit. And Mr. Yatabe is considered to be guilty of a crime of swindling for reception of the hand-money, as provided for by Article 246 of the Criminal Law, and of a crime of bribery for offering money to Governmental officials or treating them to entertainments, as provided for by Article 197 of the Criminal Law.

Concerning Mr. Benji Yokoi, ex-president of Occupations Workers Welfare Association.

1. Mr. Benji Yokoi is now engaging in lumber sawing enterprise at Shirooka-machi, Kita-Adachi-gun, and he got acquainted with Mr. Keoru Tamura, former chief director of the association in question, and Mr. Teizo Kawano, then chief official in charge of welfare business for Occupations Workers, of the Prefectural Liaison Section, through a friend of Mr. Tamura's named Mr. Shinji Kobayashi. Messrs. Tamura and Kawano presuaded Mr. Yokoi to be president of the Association, only to pull out money from him, as it was hard up for funds just at the time. Thus Mr. Yokoi was installed as president, and was made to offer a total sum of one Million yen for the funds of the Association during the period of July to December, last year. But he felt discontented with the inner managing

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policy of the Association, and he threw up his position in March of this year.

2. While he was in the position of president, Mr. Yokoi offered Mr. Kawano ¥10,000 in cash at his own house in late December last year, and besides he entertained the Prefectural official several times at the "Black Cat", restaurant, at Naka-cho, Urawa City, together with Mr. Yatabe, spending ¥60,000 in total.

3. It is quite evident that those things stated above are real facts, as we have enough evidences for them, and also as he himself admits them in his affidavit. And Mr. Yokoi is considered to be guilty of a crime of bribery as provided for by Article 197 of the Criminal Law.

Concerning Mr. Naoru Tamura, Managing Director of Occupations Workers Welfare Association.

1. Mr. Naoru Tamura was the very founder of the said Association and was the responsible person for it at the time of its foundation, and at present he is, as managing director of the Association, much interested in its business, while he is in the position of president for two other companies.

2. In July of last year, he launched out maneuvering, jointly with Mr. Kawano of the Prefectural Liaison Section, to install Mr. Yokoi as president of the Association for lack of funds, and he succeeded to hold back temporarily the business dipression of the Association with the money totalling one m illion yen which he pulled out from Mr. Yokoi.

3. Mr. Tamura was all the times on very intimate terms with Mr. Kawano, asking him to take good care of the Association. And jointly with Messrs. Yatabe and Yokoi, he entertained Mr. Kawano several times at the Restaurant "Black Cat" at Naka-cho, Urawa City, spending ¥80,000 in all; once at the Hotel "Hompei", at Omiya City, spending ¥5,000; and in November last year he offered Mr. Kawano ¥15,000 in cash, under the name of loan, at his own house at Oto, Yono-machi, Kita-Adachi-gun, Saitama, and ¥10,000 under the name of loan, too, at the office room of the Association, and moreover, at the same room in the same month, he gave Mr. Kawano ¥10,000 for trip expenses, as he heard that the officials in charge of welfare business for Occupations workers, of the Liaison Section, were going to make a trip for recreation. In addition to these,

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he was asked by Mr. Kawano for ¥50,000 under the name of loan, and he approached Mr. Yatabe, who handed the money to Mr. Kawano at the officeof his " 'Merican Pop " Co. at the end of January this year.

4. It is quite evident that these things stated above are real facts, as we have enough evidences for them, and also as he himself admits them in his affidavit. And Mr. Tamura is considered to be guilty of a crime of bribery as provided for by Article 197 of the Criminal Law.

Concerning Mr. Teizo Kawano,
Chief official in charge of
welfare business for Occupations
workers, of the Liaison Section,
Saitama Prefectural Government.

1. Mr. Teizo Kawano was employed with the Liaison Section of the Saitama Prefectural Government as non-regular official in April 1948, and was made a regular official and ordered to be chief official in charge of welfare business for Occupations workers, in October of the same year.

2. During his tenure of office until July of this year, he had been in close touch with the Occupations Workers Welfare Association, and so, at the request of Mr. Kaoru Tamura, then chief director of the Association, he played an important part in the maneuvering to install Mr. Senji Yokoi as president of the Association.

3. Mr. Kawano received ¥15,000, under the name of loan, from Mr. Tamura, managing director of the Association, at Mr. Tamura's house in November last year, ¥10,000 at the office of the Association, another ¥10,000 for trip expenses at the same room; ¥10,000 from Mr. Yokoi, then president of the association, at his house at the end of last year, and ¥50,000 from Mr. Yatabe in January this year. After all he grafted ¥95,000 in total.

4. Besides, he was treated by Mr. Tamura to an entertainment worth ¥5,000 at the Hotel "Hompei" in Omiya City, and to dozens of times of entertainments amounting to ¥80,000 at the Restaurant "Black Cat" in Urawa City, during the period of March to July, this year.

5. Meanwhile, in February of this year, Mr. Kawano saw to it specially that the blankets allocated, for Occupations

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workers, by the Special Procurment Board to the Occupation Workers Welfare Association, would be received directly by Mr. Yatabe himself, not through the Prefectural Liaison Section; and, whenever the Association's personnels came to the Prefectural Disposal Section to negotiate for the release of the ex-Army goods at the Kawagoe Arsenal, Mr. Kawano was there together with them and negotiated himself in behalf of them; and in February this year, too, he went to the Kawagoe Arsenal, riding the automobile of the Liaison Section together with the Association's personnels, passing the gate by a gate pass issued by Capt. Clyde E. Wertz, then Chief of Economic Section, Saitama MGF, and showing them over the Arsenal. Thus he had offered a lot of conveniences to them. And thus he had done a lot of conducts questionable enough to be eyed with suspicion within the Prefectural Government. So, at last he was transferred to the Toyooka Labor Management office, at Toyooka-machi Iruma-gun, Saitama, in July this year, by the Chief of the Liaison Section who thought it would be very dangerous to keep him at the position of chief official in charge of welfare business for Occupations workers.

6. It is quite evident that these things stated above we real facts, as we have enough evidences for them and as he himself admits them in his affidavit. And Mr. Kawano is considered to be guilty of a crime of taking brides, as provided for by Article 197 of the Criminal Law.

Concerning Shigeru Arai, Chief of Bnd Custody Section, Urawa Branch Office of Finance Bureau, Finance Ministry.

1. Mr. Shigeru Arai, as Chief of Bnd Custody Section, Urawa Branch Office of Finance Bureau, has authorities for custody and disposition of those common national properties within this prefecture which are returned to the Japanese Government from the Occupation Forces.

2. He got acquainted with Mr. Yatabe towards the end of last year, through the introduction of his friend Mr. Kenzo Hino, President of the Heiwa Sangyo K.K. located at Kawagoe City. As stated in chapter "Concerning Mr. Jun Yatabe" above, Mr. Yatabe previously applied to the Prefectural Disposal Section for release of the old lead at the Kawagoe Arsenal, which was projected by him

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to be made available for the automobile repair plant to be established in the hangars of the former Takahagi Air Field which were expected, too, to be released for rent to his association. As it was, his application for the said release bore no fruits and came to rejected by the Disposal Section in May of this year, because it was then before the release of the said hangars, and also because he had no allocation coupons of lead. And Mr. Yatabe came and asked Mr. Arai to release the old lead which had been coated over the floor of the buildings of the Kawagoe Arsenal that were released, at the end of April this year, from the Saitama MGT to the Suikoh-kai Society (a women's society projecting to establish a " Town of Women " for less happy ones), to the Tokyo Lead Refining Co., Ltd. from which he had already received the ¥800,000 of hand-money in question. Mr. Arai gave him a consent to do things as he asked, in interpretation of the old lead, which had been originally attached to the above building released, having to be handled as common national properties to be placed under jurisdiction of the Finance Ministry. And Mr. Arai demanded the Prefectural Disposal Section to transfer the right to the subject old lead to the Finance Ministry. So the former transferred it to the latter on June 15 of this year. So Mr. Arai released the lead to the Tokyo Lead Refining Co., as requested by Mr. Yatabe.

3. Meanwhile, on April 27, Mr Arai was invited together with Mr. Akimoto, chief of Liaison Section, Mr. Hoshino, Chief of Reparations Section, and Mr. Kobayashi, interpreter of Saitama MGT, to the dinner party held by the Occupational Workers Welfare Association at the Hotel "Hempei" in Omiya, being treated to entertainments amounting to ¥35,000 in total. Besides, Mr. Arai has been in close touch with the Association, to which he has offererred various kinds of conveniences: for instance, as regards the release problem of the hangars of the former Takahagi Air Field, Mr. Arai went so far as to take the proceedings for release in person for the interests of the Association and issue to it such a funny certificate as to certify to the effect that approval was anticipated certainly to be granted to the Association for the release of these hangars applied for.

4. It is quite evident that these things stated above are real facts, as we have enough evidences for them and also as he himself admits them in his affidavit. And Mr. Arai is considered to be guilty of a crime of taking bribes, as provided for by Article 197 of the Criminal Law.

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Concerning Mr. Keizo Akimoto,
Chief of Liaison Section,
Saitama Prefectural Government.

1. Mr. Keizo Akimoto has been serving in the Saitama Prefectural Government since 1930, and in February 1946 was appointed to be the first chief of the Liaison Section established newly in the Saitama Prefectural Government. Ever since he has been in charge of liaisons to the Occupation Forces and management of laborers for the Occupation Forces.

2. When the Occupations Workers Welfare Association, in which his real brother, Mr. Kozaburo Akimoto, was one of the promoters and also was in the position of managing director, came to apply to the Governor of Saitama Prefecture for authorization of its foundation for the purpose of promoting welfare business for laborers and workers for Occupation Forces, then Mr. Keizo Akimoto, of the opinion that the association, if organized upon a sound set-up, might be entrusted to act for the Liaison Section in handling rationing goods, took up a positive attitude for the authorization rather of his own accord, drawing up the draft of the authorization and persuading then Governor Jitsuzo Nishimura to agree to his opinion. As a result of it, on 12 December 1947, Governor's authorization for foundation was granted to the association as a licensed agency acting for the Prefectural Liaison Section.

3. When the association came to make application for the release for rent of the hangards of the former Takahagi Air Field, Mr. Akimoto himself took the Association's personnels to the scene for inspection by a Government-owned automobile. When the Association was going to make application for the release of the ex-Army goods at the Kawagoe Arsenal, Mr. Akimoto himself established closer connection with Interpreter Kobayashi of Saitama MGF, to whom he introduced Mr. Yatabe, and worked out the proceedings for the release in conspiracy with Mr. Kobayashi, Mr. Shigeru Arai, Chief of End Custody Section, Urawa Branch Office of Finance Bureau, and those persons concerned with the Association. And even after submission of the application for the release, he did his best to manage things about the subject release all right just as requested by the Association.

4. In July of last year, when the Association was manoeuvering to get funds, he was requested by Mr. Saburu Tamura, then chief director of the Association, and made Mr. Teizo Kawano, his subordinate and chief official in charge of welfare business for Occupations laborers, go together with Mr. Tamura and call on Mr. Bonji Yokoi, living in Shiraoka-machi, Kita-Adachi-gun, Saitama, more than once, to pull out so much money

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as one million yen from him for the funds of the Association.

5. Meanwhile Mr. Akimoto was invited to the dinner party held by the Association at the Hotel "Hompei" on April 27 of this year, served by "geisha" girls, Tsukimaru, Chiyoryu, and Ishimaru, belonging to the Miyoshiya Geisha House, at Daimon-cho, Omiya City. The expenses for these entertainments amounted to ¥50,000 in all.

6. It is quite evident that these things stated above are real facts, as we have enough evidences for them, and also as he himself admits them in his affidavit. And Mr. Akimoto is considered to be guilty of a crime of taking bribes, as provided for by Article 197 of the Criminal Law.

Concerning Mr. Junzo Kanai,
Vice Chief of Liaison Section,
Saitama Prefectural Government.

1. Mr. Junzo Kanai has been serving in the Saitama Prefectural Government since 1926, and in August 1946 was assigned to the Liaison Section, and at present, as Vice Chief of the Section, is in charge of personnel affairs within the Section and general affairs of liaison to the Occupation Forces.

2. In December 1947, in connection with the authorization for the foundation of the Occupations Workers Welfare Association, he was ordered by Section Chief Akimoto to make up the draft of the authorization letter to be sanctioned by Governor, and he took indiscreet steps for the authorization without carrying out any probe into the contents of the Association, because he knew Section Chief Akimoto had his real brother in it. Afterwards, however, with the exposure of the case of the Association having dealt with the allocated blankets through illegal channels and of the hand-money swindling case committed by Mr. Yatabe in connection with the release of the old land at the Kawagoe Arsenal, the Prefectural Government was compelled, to its great disgrace, to cancell the authorization once granted, on September 22 of this year.

3. Meanwhile Mr. Kanai has been in good terms with the Association, talking about its management with its personnels as well as Mr. Yatabe. And on April 27 of this year, he was treated together with Mr. Akimoto and others to the entertainments amounting to ¥35,000, held by the Association at the Hotel "Hompei" in Omiya City.

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4. It is quite evident that these things stated above are real facts, as we have enough evidences for them, and also as he himself admits them in his affidavit. And Mr. Kanai is considered to be guilty of a crime of taking bribes, as provided for by Article 197 of the Criminal Law.

Concerning Mr. Tokugi Moshino,
Chief of Reparations Section,
Saitama Prefectural Government.

1. Mr. Tokugi Moshino was transferred from the Ministry of Commerce and Industry to the Saitama Prefectural Government in February 1947, and was appointed to be Chief of Reparations Section on April 9 of this year, and at present he is in charge of maintenance, custody and control of the reparations facilities coming under the jurisdiction of the Ministry of International Trade and Industry.

2. In so far as the release problem in question of the Association is concerned, he has nothing to do with it in official business. It is true that he was entertained at the dinner party held by the Association at the Hotel "Hompei" in Omiya City on April 27 of this year, but he had no official relation with the Association. Hence he is not held responsible for it from the criminal point of view.

Concerning Mr. Teiso Kawarabe,
Custodian of Kawagoe Arsenal.

1. Mr. Teiso Kawarabe is in charge of custody of the Kawagoe Arsenal. It is true that he notified Mr. Yatabe of the existence of remaining ex-Army goods within the Kawagoe Arsenal and of the actual items and amounts of the goods, but there cannot be found out any fact of his having taken bribes from the Association or having been entertained by it. Hence he is considered to be blameless.

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INCLOSURE II

OUR OPINION ON SUBJECT SCANDAL CASE

1. These corruption cases concerning the release of the old lead and other goods at the Kawagoe Arsenal and the release for rent of the hangars and machine tools of the former Takanagi Air Field, were committed in official relationship between the personnels of the Occupations Workers Welfare Association and Prefectural Government officials who should have been standing in a supervising position over them, and therefore it is evident that these are those bribery and graft cases to and by public servants as provided for by the Criminal Law.

2. The acts of the big three staffs of the Association, that is to say, Messrs. Yatabe, Tamura, and Yokoi, are considered to be applicable to the crime of giving bribes as provided for by Article 198 of the Criminal Law. It is a well-worn device for vicious bribers to present money or other valuables to Governmental or public officials to get irrational and unlawful conveniences from them, and it is only to be subservient to another relaxation of the official discipline. So the bribers of the subject cases are believed to deserve no pity whatsoever.

3. The leading character of the grafters is decided to be Mr. Teizo Kawano, then chief official in charge of welfare business for Occupations laborers, of the Liaison section, who went too far beyond the scope of his duties, offering too much conveniences to the Association and taking part in the manoeuvering to install Mr. Yokoi as President to pull out money form him for the funds of the Association.

a) He was requested by the Association and offered too much unreasonable conveniences to it, in connection with the release of the ex-Army goods at the Kawagoe Arsenal.

b) And in connection with the allocation of the blankets for Occupations laborers, too, he took unlawful steps to deliver the blankets directly to Mr. Yatabe, not through the Liaison Section, merely to profit Mr. Yatabe illegally.

c) On the other hand, he received too much money from the men of the Association:

¥10,000, under the name of loan, from Mr. Yokoi, when Kawano called on him at his home at the end of last year.

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¥35,000 from Mr. Tamura at his home or at the office of his association during the period of November to end of last year.

¥80,000 from Mr. Yatabe in January of this year.

Mr. Kawano could not deny the fact that he received the money in official relationship with the association, however cleverly he may try to dodge about or assert that he received the money "under the name of loan". In addition to the money, he was treated by the Association to entertainments amounting to more than ¥100,000 in total, dozens of times at the Restaurant "Black Cat" in Urawa City, once at the Hotel "Nanpei" in Omiya, and once at the "Funamatu", Japanese-style restaurant, in Iwatsuki Town.

In so far as the subject case is concerned, no circumstances can justify him in having grafted money and having been treated to entertainments and sprees, in official relationship with the bribers. He not only has been untrue to his duties, but also has brought disgrace upon the dignity of public servants. Such a disgraceful official as he should be punished severely, in view of the enforcement of the official discipline, because it must be born in mind that, just in such a social situation in which morals are somewhat in chaos as at present, we should not only abide by but also enhance the morality of public servants that "we would rather starve than live on ill-gotten gains".

4. It is evident that messrs. Keizo Akimoto and Shigeru Arai and Junzo Kanai were treated to entertainments amounting to more than ¥35,000 and they offered conveniences to the Association. It is true, as stated above, that these three persons were entertained by the Association, but it is only once, and moreover they admitted honestly that they were to blame, apologizing for their misconduct. So it may be too cruel for them to be pressed for a single misconduct. Under these circumstances, it is believed to be adequate that they should be punished from the administrative point of view, not from the criminal point of view.

Director of Saitama Pref. Pol.

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COPY

THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION AGENCY

(1st Materials Section)

10 October 1949

SUBJECT: Investigation into Release of Old Lead at Kawagoe Factory of Former Tokyo 1st Military Arsenal.

TO : Economic Section, Saitama CAT.
ATTENTION: Mr. Raymond A. Hashitani.

The result of the investigation into the subject matter, directed by your Office on 14 September of this year, is hereby reported as follows.

1. Transfer of Jurisdiction over Lead to Finance Ministry by Prefectural Disposal Section.

The Disposal Section of the Prefectural Government had "27" tons of old lead within the Kawagoe Factory of the former Tokyo 1st Military Arsenal returned by your Office on 5 May of this year. The amount of lead thus returned, so called "27 tons", was merely based upon a rough estimate by the Disposal Section when applied for the return, but afterwards it proved to weigh 40 tons and 342 kgs. by an actual weighing when delivered to the Industrial Rehabilitation KOBAN, as previously reported by them to your Office.

The lead in question was used originally for hazard protection in production of torpedoes for aircrafts, as stated below.

Itemization

24 tons 456 kgs.	.....	old lead coated over concrete floor.
15 tons 677 kgs.	.....	old lead planking for hazard protection.
Total	.....	40 tons 342 kgs.

While the Prefectural Disposal Section was delivering the lead in question to the Industrial Rehabilitation KOBAN, regarding all of the about 40 tons of old lead

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as being under the competence of the said section for disposition, the Finance Ministry (Urawa District Branch of the Kanto-Shinetsu Financial Bureau) demanded the Prefectural Disposal Section to transfer to them the about 24 tons of old lead coated on the floor, on the ground that the lead was interpreted as being part of the Kawagoe Arsenal which was under their jurisdiction and direct custody. And therefore the Disposal Section transferred the authority to handle the lead to the Finance Ministry on June 13, and at the same time notified the Industrial Rehabilitation KODAN to that effect.

As to the about 15 tons of old lead plankings for hazard protection, the Disposal Section delivered them to the Industrial Rehabilitation KODAN in compliance with the Construction Board's Instruction-No. 317, subject "Disposition of Ex-Army Goods", dated 29 March 1948.

II. Finance Ministry's Measure for Release of Old Lead in Question:

On occasion of the release of the four Buildings of the Kawagoe Arsenal to the Suiko Kai, foundation juridical person, (an organization of women wanting to establish a "Town of Women"), the Urawa District Branch of the Kanto-Shinetsu Finance Bureau removed the old lead from the floors over which it was coated and released it to the two companies mentioned below, because the Suiko Kai was going to use the buildings as dwelling-house, and so did not need the old lead floorings, rather they needed the concrete floor under the lead floorings.

To decide the prices of the old lead for release, the Urawa District Financial Bureau, required the following two associations to notify of the current transaction prices.

Tokyo Tin, Lead and Antimony Alloy Ind. Cooperative Association.

Tokyo Platinum Collection and Refining Cooperative Association.

In response to the inquiry, these associations notified the Urawa District Financial Bureau of the current transaction prices estimated at ¥20,000 to ¥21,000 per ton lower than the official price of ¥36,000 per ton.

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Then the Urawa District Financial Bureau conferred with the Tokyo Finance Bureau, which answered to release the old lead in question at the highest possible price, if not sold at the official price. So the Urawa District Financial Bureau released a total of 24 tons and 200 kgs. for ¥25,000 per ton to the following two companies requesting the release of the lead in those days, in ex-change for the allocation certificates.

Tokyo Lead Refining Co. Ltd.

No. 15, 2-chome, Kojima-cho, Asakusa,
Daito-ku, Tokyo.

Nagiware Metal Co. Ltd.

No. 5, 2-chome, Sudacho, Kanda, Chiyoda-ku,
Tokyo.

III. This case is not within the jurisdiction of this Board, and it is hard to drew a conclusion. However this Board, on its part, holds this case as stated below, upon the result of investigations.

1. The basic point of this appeal is considered to be whether or not the old lead in question is really part of the buildings. And judging from the point that the buildings of the Kawagoe Arsenal were those constructed specially for production of explosive torpedoes, the subject old lead is interpreted as being attached to the buildings as provided for by Article 242 of the Civil Law, and therefore the subject old lead is believed to be handled identically with the buildings.

Consequently the measures taken by the Prefectural Disposal Section for transfer of authority to handle the subject lead to the Finance Ministry, are considered to be adequate and reasonable.

2. The buildings of the Kawagoe Factory of the former Tokyo 1st Military Arsenal (including the subject old lead) belonged to the category of administrative properties among national properties as provided for by Item 2, Article 3 of the National Property Law, but with the halt of the production of explosive torpedoes the same buildings should be taken over by the Finance Minister in compliance with Article 8 of the same Law and at the same time come under the ordinary properties of the national properties in compliance with Item 3, Article 3 of the same Law, and the ordinary properties can be disposed of in compliance with Articles 6 and 20 of the same Law.

On occasion of release, the prices of goods to be released are to be appraised upon the admitted bases, as provided for by Article 15 of the Enforcement Law of the National Property Law. And in this respect, too, the Finance Ministry has decided the prices of the subject old lead upon

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the basis of the written estimates submitted by the third parties as admitted as competent agencies.

For the reasons as stated above, it is considered that the Finance Ministry is authorized for the release of the subject old lead and also carried out the release of it as provided for by Laws.

In addition, the swindling case by those to whom the subject old lead was released, is by their own acts and has nothing to do with the release measures taken by the Finance Ministry.

Hiroshi Iwata

HIROSHI IWATA
Director of Saitama Pref. H.Q.

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THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION BOARD

(Food Section)

22 October 1949

SUBJECT: Report on Result of Investigation Illegal Reception of rice rations at Miyadera-Mura, Iruma-gun.

TO : Saitama Civil Affairs Team.
ATTENTION: Economic Section.

I. Date of Investigation:

10 October 1949

II. Place Investigated:

Village Office of Miyadera-mura, Iruma-gun, Saitama.

Sericultural Association, same Village.

Rationing Post acting for the Food Distribution KODAN, same village.

III. Investigation Result:

1. The investigation into this case was almost impossible to go into particulars, because the Tokorozawa National Rural Police had been making investigation of this case since 20 September of this year by the order of the Kawagoe Public Procurators' Office and almost all of the relative documents were under seizure of the said Police. But the outline of this case is reported hereby to your Office as follows.

2. In order to apply for supplementary rationing to Sericulturists, a list of applicable persons is to be sent in to the village office by the sericultural association and then an application for supplementary rationing is to be submitted by the village office to the Prefectural Government together with a list of persons requesting qualification for supplementary rationing which is made up upon the basis of the document submitted by the sericultural association.

In this village, an application for supplementary rationing for the 1948 fiscal year was made for seven(7) non-sericulturists under the false capacity of qualified persons for reception of supplementary rations. But it was proved, as the result of the investigation conducted by this Board

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into the rationing post there in connection with this case, that no rationing had been made to any of the non-sericulturists in question. As to the production of these fictitious characters, the village office and the sericultural association shifted the responsibility upon each other's shoulders, and so it could not be seen where the responsibility lay. Either way, however, there is much room for suspicion of complicity by both of them.

3. The amount of rice as saved by the principal method of omitting odds of the amount rationed to qualified persons on occasion of supplementary rationing for the 1949 fiscal year, has been consumed by the sericultural association, the village office, and the agricultural association there under the pretext of being provided for the leaders.

IV. Conclusion:

As stated above, as to the supplementary rationing to sericulturists, the application itself was not made correctly, and also it seemed that the Sericultural Section of the Local Affairs Office, competent authorities for this kind of rationing, had been making supplementary rationing to the applicants without any check-up, and it is believed that such cases have been and are taking place in considerably wide scope. Therefore much can be expected of future investigations.

KENTARO INOUE
Director of Saitama Pref. MIB.

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30 Nov. 1941 Saitama Kit

REPORT ON INVESTIGATION INTO SCANDAL OF OCCUPATIONS
WORKERS WELFARE ASSOCIATION AND ITS CIRCLE

#5
Saitama

SAITAMA PREF. KIA

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THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION AGENCY

(1st Materials Section)

30 November 1949

SUBJECT: Investigation into Scandal of Occupations Workers Welfare Association and Its Circle.

TO : Kanto Civil Affairs Region.

The results of the investigations into the scandals of the Occupations Workers Welfare Association and its circle, ordered specially by Mr. Raymond A. Hashitani, Vice-chief of Economic Section, Saitama Civil Affairs Team on 12 October 1949, are reported hereby to your Headquarters as follows:

1. Investigator:

Economic Investigator Tatsuo Furuya,
Chief of 1st Materials Section,
Saitama Prefectural EIA.

2. Period of Investigation:

From 12 October to 16 November 1949.

3. Person Investigated:

Those concerned with the scandal cases created in connection with the release of the ex-Army goods at the Kawagoe Factory of the former Tokyo 1st Military Arsenal and the rent of the buildings of the former Takahagi Air Field, at Takahagi-mura, Iruma-gun, Saitama, to the Occupations Workers Welfare Association, at Urawa City, Saitama.

4. Exemption from Investigation:

Though connected closely with the subject scandal cases, those persons belonging to the Saitama Civil Affairs Team are exempted from the investigations of this Board, which has no lawful power to make investigation of such persons.

5. Name and Position of Person Suspected of Forming Crime:

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Suspected of giving bribes:

Jun Yatabe, chief director of Occupations Workers Welfare Association.

Bonji Yokoi, ex-president of same association.

Kaoru Tamura, managing director of same association.

Suspected of taking bribes:

Keizo Akimoto, chief of Liaison Section, Saitama Prefectural Government.

Junzo Kanai, vice-chief of same section.

Teizo Kawano, official in charge of welfare business for Occupations workers of same section.

Shigeru Arai, chief of 2nd Custody Section, Urawa Branch Office of Finance Bureau, Finance Ministry.

Suspected of aiding and abetting to bribery:

Kaoru Tamura, managing director of Occupations Workers Welfare Association.

Suspected of Swindling:

Jun Yatabe, chief director of same association.

6. Name and Position of Person Connected with Case but Not Forming Crime:

Tokugi Hoshino, chief of Reparations Section, Saitama Prefectural Government.

Taizo Kawaraba, official of Kawagoe Branch of Finance Bureau.

7. Contents of Investigation:

As can be seen in the letter attached hereto as Inclosure I.

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8. Opinion to Subject Case:

As can be seen in the letter attached hereto as Inclosure II.

KENTARO INOUE,
Director of Saitama Prefectural EIA.

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INCLOSURE I.

CONTENTS OF INVESTIGATION INTO
BRIBERY AND GREAT CASE

Concerning Mr. Jun Yatabe, chief director
of Occupations Workers Welfare Association

1. Mr. Jun Yatabe established a firm named the "'Merican Top" Co. Ltd at No. 115, 1-chome, Takasago-cho, Urawa city and, as president of the firm, was engaged in sales of musical instruments, and on the other hand, in July or thereabouts of 1948, he took part, as informal director, in the Occupations Workers Welfare Association which had been established for the purpose of rationing of welfare goods and planning of welfare facilities for Occupations Workers in Saitama and Gumma prefectures and had been licensed by the Governor as a prefectural licensed agency acting for the liaison section. And in March of this year, he was elected to be managing director at the general meeting of the Association and held the real power of it as the supreme responsible person thereof.

2. In July of last year, when Mr. Yatabe went to the Kawagoe factory of the former Tokyo 1st Military Arsenal, at Fukuoka-mura, Iruma-gun, Saitama, together with his acquaintance, Mr. Renzo Mino, president of the Heiwa Sangyo K.K., at Kawagoe city, who was going to make negotiations for partial release of the buildings of the Kawagoe Arsenal (By the way, his petition for the partial release was disapproved in December 1948), Mr. Yatabe heard from Mr. Taizo Kawaraba, custodian of the said arsenal, of the fact that there were kept remaining there a great amount of ex-Army goods which were to be returned to the Japanese Government from the Occupation Forces. And he started establishing connections with those circles concerned, for release of the said goods.

3. In early December of last year, Mr. Yatabe inquired Mr. Taizo Kawaraba again and made sure that there existed actually those ex-Army goods such as old lead, hemp, iron, paper, etc. in the arsenal, and also knew the actual amounts of such items of goods. Then, with an intention of being granted the release of those goods in the name of the Occupations Workers Welfare Association in which he held the position of chief director, Mr. Yatabe called on Mr. Keizo Akimoto, chief of liaison section, at his office of the Saitama Prefectural Government, who is a real younger brother of Mr. Kozaburo Akimoto, director of the said association, and there asked him to use his influences for release of the goods. Mr. Akimoto listened to Mr. Yatabe's request and promised to help him hereafter, and then introduced him, at the same office of the liaison section, to Mr. Minoru Kobayashi, interpreter of the Saitama Military Government Team, who

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was there in charge of ex-Army goods to be returned to the Japanese Government, and Mr. Kobayashi, too, listened to Mr. Yatabe's request and promised to help him hereafter. At the same time here, Mr. Yatabe asked them to use their influence, in his behalf, for the possible release of the hangars of the former Takahagi Air Field, too, of which he had been told by Mr. Shigeru Arai, then chief of 2nd Custody Section, Urawa Branch Office of Finance Bureau, Finance Ministry, with whom Mr. Yatabe had gotten acquainted through the introduction of Mr. Renzo Mino, mentioned in paragraph 1, above. And Mr. Yatabe obtained their consent to his request for this matter, too.

4. Then Mr. Yatabe asked Mr. Shigeru Arai, of Finance Bureau, to the same effect and got his consent, too.

5. Mr. Yatabe recognized that the prefectural liaison section was closely connected with his association in business and so it was very necessary to keep good communication with the said section, and he came along to the office of the section almost all the times. Among all other persons of the section, he tried to keep in good touch with Mr. Teizo Kawano, chief official in charge of welfare business for Occupations workers. And to get Mr. Kawano's consent for seeing that everything would be done properly in management of the business of the association, Mr. Yatabe offered him ¥50,000 in cash under the name of loan and, besides, spent about ¥100,000 on entertainments for Mr. Kawano at the "Black Cat", restaurant, at Naka-cho, Urawa city, and others.

6. Then Mr. Yatabe started manoeuvering for the release of the old lead and other goods at the Kawagoe Arsenal, approaching persistantly Mr. Minoru Kobayashi and Mr. Keizo Akimoto. On 30 April of this year, when he met together with Mr. Akimoto and Mr. Kobayashi at Mr. Kobayashi's office of the Saitama Military Government, Mr. Yatabe was told by Mr. Kobayashi that the goods in question had been returned to the Prefectural Government by the Saitama MGT and so an application for the release should be sent in without delay. On May 4, at the office of the liaison section Mr. Yatabe conferred with Mr. Kobayashi and Mr. Akimoto about the application to be sent in for the release of the subject goods, and there made up the draft of the application collaboratingly with Mr. Akimoto and asked Miss Kiyo Tezuka, typist for Japanese typewriter, of the same section, to type it up, and he handed the finished application to vice-chief Tateoka of the prefectural disposal section. Declared by Mr. Akimoto that he would approach Mr. Kurihara, chief of the disposal section, to see to it that everything would be done properly for the release of the goods in question, Mr. Yatabe was more and more convinced that the release of the subject ex-Army goods at the Kawagoe Arsenal would be sure to be granted to him. And so, for the purpose of expressing his gratitude to those persons who were concerned with this release problem and at the same time asking for their more favors and help in future, Mr. Yatabe invited to the "Mompei", restaurant and hotel, at Omiya, Mr. Keizo Akimoto, chief of liaison section, Mr. Tokugi

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Hoshino, chief of reparations section, Mr. Junzo Kanai, vice-chief of liaison section, Mr. Shigeru Arai, chief of 2nd custody section, Urawa branch office of Finance Bureau, and Mr. Minoru Kobayashi, interpreter of Saitama MGT, spending a total sum of ¥35,000 on entertainments and pleasure-makings for them. Afterwards, section chief Akimoto negotiated several times with Mr. Kurihara, chief of prefectural disposal section, about the release problem, and yet, as just in those days the public attention was being focused on the Governor Nishimura's concealed and boarded goods case of which exposure was going on within the Saitama Prefectural Government, the disposal section rejected Mr. Yatabe's application in late May, for the fear of exciting suspicions of the public. Thus the release of the subject old lead and other goods to the Occupations Workers Welfare Association ended in failure.

7. Prior to this, on December 20 or thereabouts of last year, Mr. Yatabe was convinced, judging from the affirmative words of Messrs. Akimoto and Kobayashi, that the release would be sure to be granted to him, he made a contract with the Tokyo Lead Refining Co., Ltd., at No. 15, 2-chome, Kojima-cho, Asakusa, Daito-ku, Tokyo, to sell the subject 40 tons of old lead to it, when released, for ¥1,024,000 ¥25,600 per ton, and on December 30, at the office room of the "'Merican Top" Co. which was run by him, Mr. Yatabe received ¥500,000 of hand-money in advance from Mr. Kumataro Watanabe of the Tokyo Lead Refining Co. And he put in ¥200,000, out of the ¥500,000 of hand-money, to the Occupations Workers Welfare Association, ¥200,000 to his "'Merican Top" Co., and financed ¥100,000 to the Heiwa Sangyo K.K., mentioned in paragraph 1 above. But when the said release problem ended in failure in May this year, then Mr. Yatabe, for fear of his swindle case being exposed, came to Mr. Shigeru Arai, chief of 2nd custody section, Urawa Branch Office of Finance Bureau, which had already had the old lead previously removed from the floor of the building at the Kawagoe Arsenal, returned from the prefectural disposal section, and requested him to release the old lead to the Tokyo Lead Refining Co. Section chief Arai, consenting to his request, released 10 tons and 185 kgs. of the lead to the Tokyo Lead Refining Co. and 14 tons and 465 kgs. to the Hagiwara Metal Co., at No. 5, 2-chome, Suda-cho, Kanda, Chiyoda-ku, Tokyo, both in exchange for allocation coupons. Meanwhile, as he had failed to pay back ¥500,000, Mr. Yatabe was accused of a crime of sindling by Mr. Kumataro Watanabe of the Tokyo Lead Refining Co., and on July 5 was placed under detention at the Urawa municipal police station, and on July 8 he was sent to the Urawa District Procurators' Office. But Procurator Takeuchi of the said Procurator's Office, after consultation with Judge Kinoshita, dropped the case and let him off within the same day, with the proviso that he would pay back the money.

8. In addition to these, Mr. Yatabe diverted to the Yatsumoto-mura Agricultural Cooperative Union, at Yatsumoto-mura, Osato-gun, Saitama, through blackmarket channels, the 1,000 sheets of blankets allocated specially for

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Occupations workers by the Special Procurement Board through the prefectural liaison section in February of this year, and made illegal profits amounting to ¥282,000, which was put into the funds of the "Merican Top" Co., managed by him. (this case is at present under trial at the Kumagaya District Court.) Besides, on February 3 of this year, under the name of his association, he submitted to the Urawa Branch Office of Finance Bureau, Finance Ministry, an application for borrowing of the hangers of 4,800 "tsubo", at Takahagi-mura, Iruma-gun, Saitama, and also of the machine tools there, together with Governor's recommendation which was given to his application by the good offices of the prefectural liaison section. Thus the buildings and ground of the said air-field were granted to be lent to his association on June 22 of this year, and the 31 pcs. of machine tools on July 14.

9. It is quite evident that those things stated above are real facts, as we have enough evidences for them, and also he himself admits them in his affidavit. And Mr. Yatabe is considered to be guilty of a crime of swindling for riception of the hand-money, as provided for by Article 246 of the Criminal Law, and of a crime of bribery for offering money to Governmental officials or treating them to entertainments, as provided for by article 197 of the Criminal Law.

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Concerning Mr. Bonji Yokoi, ex-president
of Occupations Workers Welfare Association

1. Mr. Bonji Yokoi is now engaging in lumber sawing enterprise at Shiraoka-machi, Kita-Adachi-gun, and he got acquainted with Mr. Kaoru Tamura, former chief director of the association in question, and Mr. Teizo Kawano, then chief official in charge of welfare business for Occupations Workers, of the prefectural liaison section, through a friend of Mr. Tamura's named Mr. Shinji Kobayashi. Messrs. Tamura and Kawano presuaded Mr. Yokoi to be president of the Association, only to pull out money from him, as it was hard up for funds just at the time. Thus Mr. Yokoi was installed as president, and was made to offer a total sum of one Million yen for the funds of the Association during the period of July to December, last year. But he felt discontented with the inner managing policy of the association, and he threw up his position in March of this year.

2. While he was in the position of president, Mr. Yokoi offered Mr. Kawano ~~¥~~10,000 in cash at his own house in late December last year, and besides he entertained the prefectural official several times at the "Black Cat", restaurant, at Naka-cho, Urawa city, together with Mr. Yatabe, spending ¥80,000 in total.

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3. It is quite evident that those things stated above are real facts, as we have enough evidences for them, and also as he himself admits them in his affidavit. And Mr. Yokoi is considered to be guilty of a crime of bribery as provided for by Article 197 of the Criminal Law.

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Concerning Mr. Kaoru Tamura, Managing
Director of Occupations Workers
Welfare Association

1. Mr. Kaoru Tamura was the very founder of the said association and was the responsible person for it at the time of its foundation, and at present he is, as managing director of the association, much interested in its business, while he is in the position of president for two other companies.

2. In July of last year, he launched out manoeuvering, jointly with Mr. Kawano of the prefectural liaison section, to install Mr. Yokoi as president of the association for lack of funds, and he succeeded to hold back temporarily the business dipression of the association with the money totalling one million yen which he pulled out from Mr. Yokoi.

3. Mr. Tamura was all the times on very intimate terms with Mr. Kawano, asking him to take good care of the association. And jointly with Messrs. Yatabe and Yokoi, he entertained Mr. Kawano several times at the restaurant "Black Cat" at Naka-cho, Urawa city, spending ¥80,000 in all; once at the hotel "Mompei", at Omiya city, spending ¥5,000; and in November last year he offered Mr. Kawano ¥15,000 in cash, under the name of loan, at his own house at Oto, Yono-machi, Kita-Adachi-gun, Saitama, and ¥10,000 under the name of loan, too, at the office room of the association, and moreover, at the same room in the same month, he gave Mr. Kawano ¥10,000 for trip expenses, as he heard that the officials in charge of welfare business for Occupations workers, of the liaison section, were going to make a trip for recreation. In addition to these, he was asked by Mr. Kawano for ¥50,000 under the name of loan, and he approached Mr. Yatabe, who handed the money to Mr. Kawano at the office of his "'Merican Top" Co. at the end of January this year.

4. It is quite evident that these things stated above are real facts, as we have enough evidences for them, and also as he himself admits them in his affidavit. And Mr. Tamura is considered to be guilty of a crime of bribery as provided for by Article 197 of the Criminal Law.

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Concerning Mr. Teizo Kawano,
Chief official in charge of
Welfare Business for Occupations
Workers, of the Liaison Section,
Saitama Prefectural Government.

1. Mr. Teizo Kawano was employed with the liaison section of the Saitama prefectural government as non-regular official in April 1948, and was made a regular official and ordered to be chief official in charge of welfare business for Occupations workers, in October of the same year.

2. During his tenure of office until July of this year, he had been in close touch with the Occupations Workers Welfare Association, and so, at the request of Mr. Kaoru Tamura, then chief director of the association, he played an important part in the manoeuvering to install Mr. Bonji Yokoi as president of the association.

3. Mr. Kawano received ¥15,000, under the name of loan, from Mr. Tamura, managing director of the association, at Mr. Tamura's house in November last year, ¥10,000 at the office of the association, another ¥10,000 for trip expenses at the same room; ¥10,000 from Mr. Yokoi, then president of the association, at his house at the end of last year, and ¥50,000 from Mr. Yatabe in January this year. After all he grafted ¥95,000 in total.

4. Besides, he was treated by Mr. Tamura to an entertainment worth ¥5,000 at the Hotel "Mompei" in Omiya city, and to dozens of times of entertainments amounting to ¥80,000 at the restaurant "Black Cat" in Urawa city, during the period of March to July, this year.

5. Meanwhile, in February of this year, Mr. Kawano saw to it specially that the blankets allocated, for Occupations workers, by the Special Procurement Board to the Occupation Workers Welfare Association, would be received directly by Mr. Yatabe himself, not through the Prefectural Liaison Section; and, whenever the association's personnels came to the prefectural disposal section to negotiate for the release of the ex-Army goods at the Kawagoe Arsenal, Mr. Kawano was there together with them and negotiated himself in behalf of them; and in February this year, too, he went to the Kawagoe Arsenal, riding the automobile of the liaison section together with the association's personnels, passing the gate by a gate pass issued by Capt. Clyde E. Wertz, then chief of Economic Section, Saitama MGT, and showing them over the Arsenal. Thus he had offered a lot of conveniences to them. And thus he had done a lot of conducts questionable enough to be eyed with suspicion within the prefectural government. So, at last he was transferred to the Toyooka Labor Management Office, at Toyooka-machi, Iruma-gun, Saitama,

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in July this year, by the chief of the liaison section who thought it would be very dangerous to keep him at the position of chief official in charge of welfare business for Occupations workers.

6. It is quite evident that these things stated above we real facts, as we have enough evidences for them and as he himself admits them in his affidavit. And Mr. Kawano is considered to be guilty of a crime of taking bribes, as provided for by Article 197 of the Criminal Law.

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Concerning Shigeru Arai, chief of 2nd
Custody Section, Urawa Branch Office
of Finance Bureau, Finance Ministry

1. Mr. Shigeru Arai, as chief of 2nd Custody Section, Urawa Branch Office of Finance Bureau, has authorities for custody and disposition of those common national properties within this prefecture which are returned to the Japanese Government from the Occupation Forces.

2. He got acquainted with Mr. Yatabe towards the end of last year, through the introduction of his friend Mr. Renzo Mino, president of the Heiwa Sangyo K.K. located at Kawagoe city. As stated in chapter "Concerning Mr. Jun Yatabe" above, Mr. Yatabe previously applied to the prefectural disposal section for release of the old lead at the Kawagoe Arsenal, which was projected by him to be made available for the automobile repair plant to be established in the hangars of the former Takahagi Air Field which were expected, too, to be released for rent to his association. As it was, his application for the said release bore no fruits and came to rejected by the disposal section in May of this year, because it was then before the release of the said hangars, and also because he had no allocation coupons of lead. And Mr. Yatabe came and asked Mr. Arai to release the old lead which had been coated over the floor of the buildings of the Kawagoe Arsenal that were released, at the end of April this year, from the Saitama MGT to the Suikoh-kai Society (a women's society projecting to establish a 'Town of Women' for less happy ones), to the Tokyo Lead Refining Co., Ltd. from which he had already received the ¥500,000 of hand-money in question. Mr. Arai gave him a consent to do things as he asked, in interpretation of the old lead, which had been originally attached to the above building released, having to be handled as common national properties to be placed under jurisdiction of the Finance Ministry. And Mr. Arai demanded the prefectural disposal section to transfer the right to the subject old lead to the Finance Ministry. So the former transferred it to the latter on June 13 of this year. So Mr. Arai released the lead to the Tokyo Lead Refining Co., as requested by Mr. Yatabe.

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3. Meanwhile, on April 27, Mr. Arai was invited together with Mr. Akimoto, chief of liaison section, Mr. Hoshino, chief of reparations section, and Mr. Kobayashi, interpreter of Saitama MGT, to the dinner party held by the Occupations Workers Welfare Association at the Hotel "Mompei" in Omiya, being treated to entertainments amounting to ¥35,000 in total. Besides, Mr. Arai has been in close touch with the association, to which he has offered various kinds of conveniences: for instance, as regards the release problem of the hangars of the former Takahagi Air Field, Mr. Arai went so far as to take the proceedings for release in person for the interests of the association and issue to it such a funny certificate as to certify to the effect that approval was anticipated certainly to be granted to the association for the release of those hangars applied for.

4. It is quite evident that these things stated above are real facts, as we have enough evidences for them and also as he himself admits them in his affidavit. And Mr. Arai is considered to be guilty of a crime of taking bribes, as provided for by Article 197 of the Criminal Law.

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Concerning Mr. Keizo Akimoto,
Chief of liaison section,
Saitama prefectural government.

1. Mr. Keizo Akimoto has been serving in the Saitama prefectural government since 1930, and in February 1946 was appointed to be the first chief of the liaison section established newly in the Saitama prefectural government. Ever since he has been in charge of liaisons to the Occupation Forces and management of laborers for the Occupation Forces.

2. When the Occupations Workers Welfare Association, in which his real brother, Mr. Kozaburo Akimoto, was one of the promoters and also was in the position of managing director, came to apply to the governor of Saitama prefecture for authorization of its foundation for the purpose of promoting welfare business for laborers and workers for Occupation Forces, then Mr. Keizo Akimoto, of the opinion that the association, if organized upon a sound set-up, might be entrusted to act for the liaison section in handling rationing goods, took up a positive attitude for the authorization rather of his own accord, drawing up the draft of the authorization and persuading then governor Jitsuzo Nishimura to agree to his opinion. As a result of it, on 12 December 1947, governor's authorization for foundation was granted to the association as a licensed agency acting for the prefectural liaison section.

3. When the association came to make application for the release for rent of the hangards of the former Takahagi Air Field, Mr. Akimoto himself took the association's personnels to the scene for inspection by a government-owned automobile. When the association was going to make application for the release of the ex-Army goods at the Kawagoe Arsenal, Mr. Akimoto himself established closer connection with Interpreter Kobayashi of Saitama MGT, to whom

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he introduced Mr. Yatabe, and worked out the proceedings for the release in conspiracy with Mr. Kobayashi, Mr. Shigeru Arai, chief of 2nd custody section, Urawa branch office of Finance Bureau, and those persons concerned with the association. And even after submission of the application for the release, he did his best to manage things about the subject release all right just as requested by the association.

4. In July of last year, when the association was manoeuvering to get funds, he was requested by Mr. Kaoru Tamura, then chief director of the association, and made Mr. Teizo Kawano, his subordinate and chief official in charge of welfare business for Occupations laborers, go together with Mr. Tamura and call on Mr. Bonji Yokoi, living in Shiraoka-machi, Kita-Adachi-gun, Saitama, more than once, to pull out so much money as one million yen from him for the funds of the association.

5. Meanwhile Mr. Akimoto was invited to the dinner party held by the association at the hotel "Mompei" on April 27 of this year, served by "geisha" girls, Tsukimaru, Chiyoryu, and Ichimaru, belonging to the Miyoshiya Geisha House, at Daimon-cho, Omiya city. The expenses for these entertainments amounted to ¥35,000 in all.

6. It is quite evident that these things stated above are real facts, as we have enough evidences for them, and also as he himself admits them in his affidavit. And Mr. Akimoto in considered to be guilty of a crime of taking briber, as provided for by Article 197 of the Criminal Law.

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Concerning Mr. Junzo Kanai, Vice
Chief of Liaison Section, Saitama
Prefectural Government.

1. Mr. Junzo Kanai has been serving in the Saitama prefectural government since 1926, and in August 1946 was assigned to the liaison section, and at present, as vice-chief of the section, is in charge of personnel affairs within the section and general affairs of liaison to the Occupation Forces.

2. In December 1947, in connection with the authorization for the foundation of the Occupations Workers Welfare Association, he was ordered by section chief Akimoto to make up the draft of the authorization letter to be sanctioned by governor, and he took indiscreet steps for the authorization without carrying out any probe into the contents of the association, because he knew section chief Akimoto had his real brother in it. Afterwards, however, with the exposure of the case of the association having dealt with the allocated blankets through illegal channels and of the hand-money swindling case

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committed by Mr. Yatabe in connection with the release of the old lead at the Kawagoe Arsenal, the prefectural government was compelled, to its great disgrace, to cancell the authorization once granted, on September 22 of this year.

3. Meanwhile Mr. Kanai had been in good terms with the association, talking about its management with its personnels treated together with Mr. Akimoto and others to the entertainments amounting to ¥35,000, held by the association at the hotel "Monpei" in Omiya city.

4. It is quite evident that these things stated above are real facts, as we have enough evidences for them, and also as he himself admits them in his affidavit. And Mr. Kanai is considered to be guilty of a crime of taking bribes, as provided for by Article 197 of the Criminal Law.

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Concerning Mr. Tokugi Hoshino, Chief
of Reparations Section, Saitama
Prefectural Government.

1. Mr. Tokugi Hoshino was transferred from the Ministry of Commerce and Industry to the Saitama Prefectural Government in February 1947, and was appointed to be chief of reparations section on April 9 of this year, and at present he is in charge of maintenance, custody and control of the reparations facilities coming under the jurisdiction of the Ministry of International Trade and Industry.

2. In so far as the release problem in question of the association is concerned, he has nothing to do with it in official business. It is true that he was entertained at the dinner party held by the association at the hotel "Mompei" in Omiya city on April 27 of this year, but he had no official relation with the association. Hence he is not held responsible for it from the criminal point of view.

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Concerning Mr. Taizo Kawaraba,
Custodian of Kawagoe Arsenal.

1. Mr. Taizo Kawaraba is in charge of custody of the Kawagoe Arsenal.

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It is true that he notified Mr. Yatabe of the existence of remaining ex-Army goods within the Kawagoe Arsenal and of the actual items and amounts of the goods, but there cannot be found out any fact of his having taken bribes from the association or having been entertained by it. Hence he is considered to be blameless.

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INCLOSURE II.

OUR OPINION ON SUBJECT SCANDAL CASE

1. These corruption cases concerning the release of the old lead and other goods at the Kawagoe Arsenal and the release for rent of the hangars and machine tools of the former Takahagi Air Field, were committed in official relationship between the personnels of the Occupations Workers Welfare Association and Prefectural Government officials who should have been standing in a supervising position over them, and therefore it is evident that these are those bribery and graft cases to and by public servants as provided for by the Criminal Law.

2. The acts of the big three staffs of the association, that is to say, Messrs. Yatabe, Tamura, and Yokoi, are considered to be applicable to the crime of giving bribes as provided for by Article 198 of the Criminal Law. It is a wellworn device for vicious bribers to present money or other valuables to governmental or public officials to get irrational and unlawful conveniences from them, and it is only to be subservient to another relaxation of the official discipline. So the bribers of the subject cases are believed to deserve no pity whatsoever.

3. The leading character of the grafters is decided to be Mr. Teizo Kawano, then chief official in charge of welfare business for Occupations laborers, of the liaison section, who went too far beyond the scope of his duties, offering too much conveniences to the association and taking part in the manoeuvering to install Mr. Yokoi as president to pull out money from him for the funds of the association.

a) He was requested by the association and offered too much unreasonable conveniences to it, in connection with the release of the ex-Army goods at the Kawagoe Arsenal.

b) And in connection with the allocation of the blankets for Occupations laborers, too, he took unlawful steps to deliver the blankets directly to Mr. Yatabe, not through the liaison section, merely to profit Mr. Yatabe illegally.

c) On the other hand, he received too much money from the men of the association:

¥10,000, under the name of loan, from Mr. Yokoi, when Kawano called on him at his home at the end of last year.

¥35,000 from Mr. Tamura at his home or at the office of his association during the period of November to end of last year.

¥50,000 from Mr. Yatabe in January of this year.

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Mr. Kawano could not deny the fact that he received the money in official relationship with the association, however cleverly he may try to dodge about or assert that he received the money "under the name of loan". In addition to the money, he was treated by the association to entertainments amounting to more than ¥100,000 in total, dozens of times at the restaurant "Black Cat" in Urawa city, once at the hotel "Mompei" in Omiya, and once at the "Funamata", Japanese-style restaurant, in Iwatsuki Town.

In so far as the subject case is concerned, no circumstances can justify him in having grafted money and having been treated to entertainments and sprees, in official relationship with the bribers. He not only has been untrue to his duties, but also has brought disgrace upon the dignity of public servants. Such a disgraceful official as he should be punished severely, in view of the enforcement of the official discipline, because it must be born in mind that, just in such a social situation in which morals are somewhat in chaos as at present, we should not only abide by but also enhance the morality of public servants that "we would rather starve than live on ill-gotten gains".

4. It is evident that Messrs. Keizo Akimoto and Shigeru Arai and Junzo Kanai were treated to entertainments amounting to more than ¥35,000 and they offered conveniences to the association. It is true, as stated above, that these three persons were entertained by the association, but it is only once, and moreover they admitted honestly that they were to blame, apoligizing for their misconduct. So it may be too cruel for them to be pressed for a single misconduct. Under these circumstances, it is believed to be adequate that they should be punished from the administrative point of view, not from the criminal point of view.

KENTARO INOUE
Director of Saitama Pref. EIA.

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THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION BOARD

(Food Section)

22 October 1949

SUBJECT: Report on Result of Investigation Illegal Reception of rice rations at Miyadera-Mura, Iruma-gun.

TO : Saitama Civil Affairs Team.
ATTENTION: Economic Section.

I. Date of Investigation:

10 October 1949

II. Place Investigated:

Village Office of Miyadera-mura, Iruma-gun, Saitama.

Sericultural Association, same Village.

Rationing Post acting for the Food Distribution KODAN, same village.

III. Investigation Result:

1. The investigation into this case was almost impossible to go into particulars, because the Tokorozawa National Rural Police had been making investigation of this case since 20 September of this year by the order of the Kawagoe Public Procurators' Office and almost all of the relative documents were under seizure of the said police. But the outline of this case is reported herebyyto your Office as follows.

2. In order to apply for supplementary rationing to sericulturists, a list of applicable persons is to be sent in to the village office by the sericultural association and then an application for supplementary rationing is to be submitted by the village office to the Prefectural Government together with a list of persons requesting qualification for supplementary rationing which is made up upon the basis of the document submitted by the sericultural association.

In this village, an application for supplementary rationing for the 1948 fiscal year was made for seven(7) non-sericulturists under the false capacity of qualified persons for reception of supplementary rations. But it was proved, as the result of the investigation conducted by this Board

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into the rationing post there in connection with this case, that no rationing had been made to any of the non-sericulturists in question. As to the production of these fictitious characters, the village office and the sericultural association shifted the responsibility upon each other's shoulders, and so it could not be seen where the responsibility lay. Either way, however, there is much room for suspicion of complicity by both of them.

3. The amount of rice as saved by the principal method of omitting odds of the amount rationed to qualified persons on occasion of supplementary rationing for the 1949 fiscal year, has been consumed by the sericultural association, the village office, and the agricultural association there under the pretext of being provided for the leaders.

IV. Conclusion:

As stated above, as to the supplementary rationing to sericulturists, the application itself was not made correctly, and also it seemed that the Sericultural Section of the Local Affairs Office, competent authorities for this kind of rationing, had been making supplementary rationing to the applicants without any check-up, and it is believed that such cases have been and are taking place in considerably wide scope. Therefore much can be expected of future investigations.

K. Inoue

KENTARO INOUE
Director of Saitama Pref. EIB.

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SAITAMA PREFECTURAL ECONOMIC INVESTIGATION BOARD

(General Affairs Section)

20 October 1949

SUBJECT: Installment of Bulletin Board and Contribution Box.

TO : Saitama Civil Affairs Team
ATTENTION: Economic Section.

Bulletin boards and contribution boxes will be set up at heavy-traffic and conspicuous places in the six cities of Urawa, Kawaguchi, Omiya, Kumagaya, Kawagoe, and Gyoda, for the purpose of educating the general public, publicizing economic concepts to them, collecting civil informations, and listening to the voices of the people at large on the effects of the inspections conducted by this Board, which will serve as a good reference to the performance of the functions of this Board.

The bulletin boards, as shown on the sketch attached hereto, will be made available for putting up posters, and posting notifications and explanations of economic laws and ordinances, to educate the people at large to abide by such laws, and for announcing the effects produced by the inspections of this Board. And the Boxes for contributions by the masses will be used as data for future inspections of this Board.

K. Inoue

KENTARO INOUE
Director of Saitama Pref. EIB

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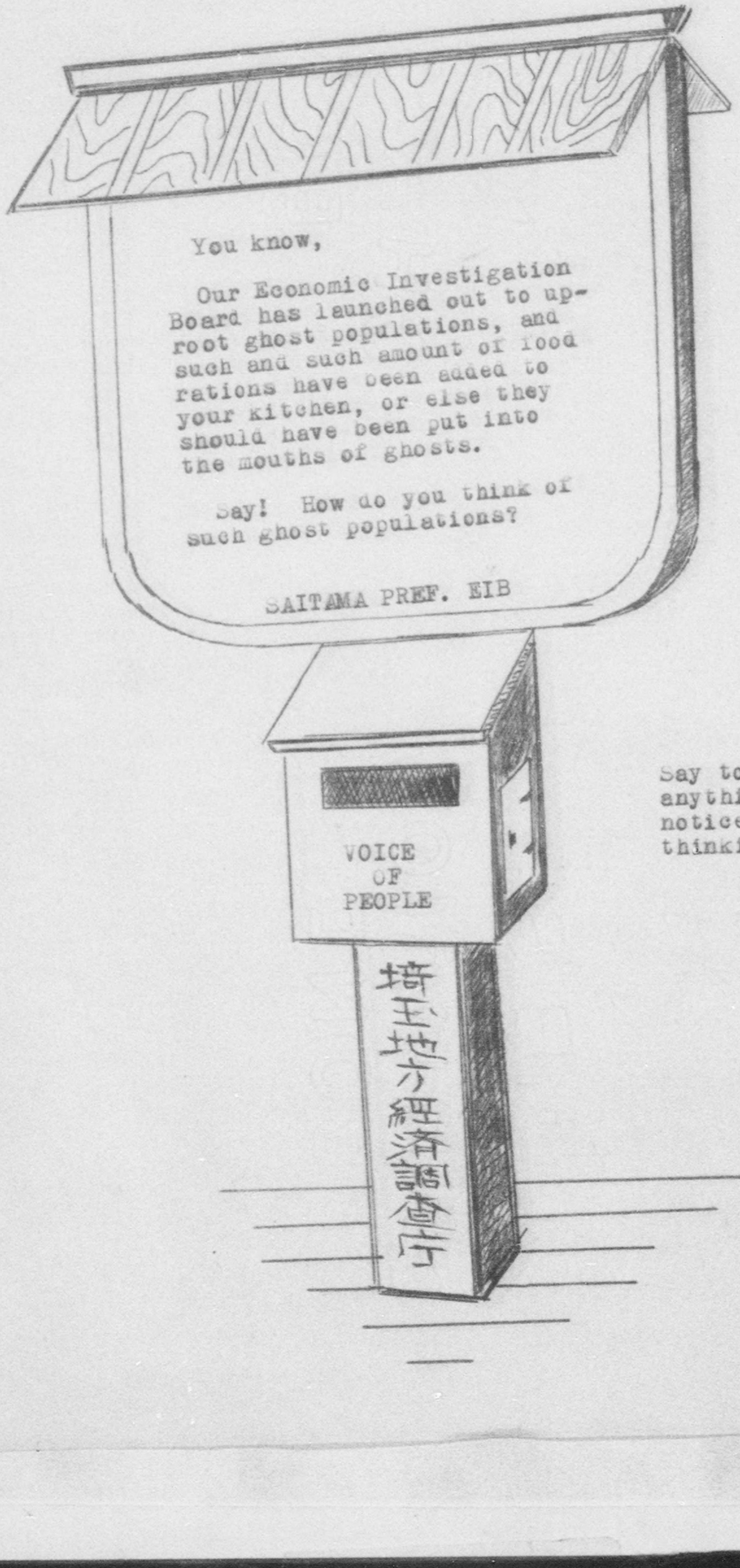
SKETCH OF BULLETIN BOARD
AND CONTRIBUTION BOX



Say to this box anything you have noticed and are thinking!

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THE SAITAMA PREFECTURAL ECONOMIC INVESTIGATION BOARD

(Food Section)

18 October 1949

SUBJECT: Result of Investigation into Disposition of Imported Cans.

TO : Saitama Civil Affairs Team.
ATTENTION: Economic Section.

I. Purpose of Investigation:

The subject investigation has been carried out by the order of Mr. Masaru Osaka, Price Control and Rationing Officer, Economic Section of the Saitama Civil Affairs Team.

II. Period of Investigation:

From 7 to 20 September 1949.

III. Personnel Need for Investigation:

Food Section Chief Soga of this Board, and other 9 staffs.

IV. Place Investigated:

Business agents in this prefecture, for the Cans Bureau and the Dairy Products Bureau, of the Food Distribution KODAN.

Food Section of the Saitama Prefectural Government.

Physical Education Section of the Prefectural Government.

Each Local Affairs Office.

Five City Halls.

Rationing agents of imported cans in each rationing area.

Saitama Foos Office of the Ministry of Agriculture and Forstry.

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Re-processing plants of imported cans (2 plants)

V. Result of Investigation:

1. Amount of Imported Cans Handled in Saitama Prefecture:

Amount of Imported Cans Handled by Business Agents for Food Distribution KODAN throughout this Prefecture:

amount forwarded from other prefectures

..... 2,738,302 lbs. 13165

amount surplus

..... 1,888 lbs.50

Total ..... 5,320,288 lbs. 47715

Out of the total figured above, 155,372 lbs. 292 was sold to the Government, and

739,733 lbs 16 was forwarded to other prefecture.

Hence;

※ Amount Handled by Cans Bureau:

..... 4,425,183lbs.02515

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amount handled by Food Distribution KODAN for composite rationing

..... 3,787,665 lbs.

amount surplus

..... 1,506 lbs.668

※ Grand Total of Amount Handled by Food Distribution KODAN:

..... 3,789,171lbs.668

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Grand Total of Amount Handled in
Saitama Prefecture:

(Total of ※ marking)

..... 8,214,354 lbs.69315

2. Condition of Rationing by
Purpose of Use:

As can be seen in the table attached hereto as Inclosure I.

3. Amount Discovered by Investigation:

The Prefectural Food Section's report to the Saitama Civil Affairs Team, dated 3 September 1949, had stated 16,839 lbs.6875 remaining for re-processing, but investigations revealed the amount of stocks as listed in the table below, at retioning agents and re-processing plants in each rationing area.

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Location	Item	Amount in Storage: Net Weight of one can (unit:lbs.)	Amount in Storage: Number (Unit:pcs.)	Amount in Storage: Amount in Weight (unit:lbs.)	Can of Go: Amt. in Number
"Eitoku-ya" Reprocessing Plant, at Fukaya Town	cherry	6.5	192	1,248.00	192
	pumpkin	1.8125	25	45.3125	25
	cherry	6.5	-	15,496.00	-
	pumpkin	1.8125	-	1,114.6875	-
	pine-apple	7.0 or 1.875	-	185.00	-
	peach	7.0 or 1.875	-	130.50	-
	soup mix	5.0	-	25.00	-
	apple-butter	7.5	-	195.00	-
	semolina	6.5	-	36.00	-
	sauerkraut	6.25	-	5,775.00	-
"Tokushu Nosan" in Yodo Village	beet-root	1.8175	6.585	11,935.3125	-
Yorii Area (for general purpose)	peach	1.8175	11	20.6250	11
Honjo Area (" ")	pine-apple	7.0	4	28.00	-
Kawaguchi Area (" ")	sweet poteto	1.9375	575	1,114.0625	19
Urabi Area (" ")	pumpkin	1.8125	31	56.1875	-
	pine-apple juice	1.0	5	5.00	5
	peach	6.75	4	27.00	4
	beet-root	1.75	4	7.00	-
Sugito Area	sweet relish	6.125	40	245.00	40
	chocolate relish	2.0	46	92.00	46
	corned beaf	6.0	72	432.00	72
	butter fat	5.0	80	400.00	80
	pea-nut	1.0	180	180.00	180
	sugar	-	1bag	224.9580	1bag
Saitama marine Products Dealers Assoc. in Omiya	bacon	-	-	50.00	-
Total	-	-	-	39,068.6455	-

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	Specification				
	Can of Good Quality		Can of Bad Quality		Remarks.
.)	Amt. in Number	Amt. in Weight	Amt. in Number	Amt. in Weight	
	192	1,248.00	-	-	
	25				
	-	-	-	15,496.00	Cans of good quality were
	-	-	-	1,114.6875	moved into the warehouses
	-	-	-	186.00	of the Saitama Marine Pro-
	-	-	-	130.50	ducts Dealers Assoc. and
	-	-	-	25.00	then rationed to social
	-	-	-	195.00	work institutes as stated
	-	-	-	36.00	in other paragraphs.
	-	-	-	5,775.00	
	-	-	6,585	11,935.3125	
	11	20.6240	-	-	
	-	-	4	28.00	
5	19	36.8125	556	1,077.25	
0	-	-	31	56.1875	
	5	5.00	-	-	
	4	27.00	-	-	
	-	-	4	7.00	
	40	245.80	-	-	
	46	92.00	-	-	
	72	432.00	-	-	
	80	400.00	-	-	
	180	180.00	-	-	
30	1bag	324.9580	-	-	
	-	50.00	-	-	
55	-	3,006.708	-	36,061.9375	