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Agricultural Cooperatives in general have responded favorably to the cabinet order regulating their financial operations and have intensified their campaign to increase capital stock in all prefectures. Although this campaign has been in progress for over a year, little or no progress was made until the issuance of the cabinet order. It will be difficult for most cooperatives to comply with the requirements of the order but they all recognize the need for greater capitalization and are grateful for the legal backing the ordinance gives them. Shimane prefectural officials estimate that 30,000 over quota rice could be delivered if farmers will turn in a portion of their retention. At the over quota price this would be a net return to farmers of 201,000,000 which is exactly the extent to which total capitalization of cooperatives must be increased in Shimane. The prefecture is sponsoring a drive to encourage the delivery of extra rice in order to provide the money for further investment.

At the present rate of progress, no prefecture in the region will be able to comply with cabinet order on cooperatives which requires the prefecture to audit the books of all cooperatives each year. Present status of the program as revealed by this trip is as follows.

Prefecture	Total Number of cooperatives requiring audit	Date Auditing was begun	Number of personnel assigned	Number cooperatives completed to date
Yamaguchi	247	Sept. 1950	7	30
Shimane	311	April 1950	25	206 *
Tottori	183	April 1950	8	48
Okayama	405	August 1950	3	29

*This includes 85 "mail order" jobs. The cooperative mailed the books to the Prefectural Government where they were audited and returned - a most inadequate and unsatisfactory system because something needed is invariably missing.

It takes 2 auditors 3 to 4 days to audit the books of an average size cooperative. Travel and other expenses average 10,000 per cooperative which averages about ¥3,000,000 for each prefecture. In no prefecture have funds been appropriated for this work.

The degree to which agricultural cooperatives are engaging in the tax collection program varies among the prefectures. In Yamaguchi and Shimane, cooperatives are acting as agents for the tax office. Farmers transfer money on the books for tax payment, the unit cooperative notifies the credit federation and the federation pays the tax office. In Tottori and Hiroshima the cooperatives have nothing to do

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with the tax collection. In Okayama a plan was drawn up for cooperatives to act as agents for the tax office but the plan was voted down by the prefectural assembly, presumably because of the pressure brought to bear by the Chugoku and Hypothec banks in that prefecture. Acting as agent for the tax office holds some very distinct advantages for unit cooperatives. First, when funds are transferred through the cooperative, the credit department has use of the money for 2 or 3 days longer than if the individual withdrew it and paid the tax office himself. With operating capital so critically short, even this brief period of retention measurably assists the cooperative in its operation. Secondly, the prestige gained by the cooperative through being recognized by the tax office as a responsible financial institution does much to build local confidence in the cooperative.

5. CONCLUSIONS:

The wettest planting season in 50 years resulted in 10% less land being planted in wheat and barley than was scheduled. Although many areas were planted too late to expect normal growth, unusually favorable weather since planting has compensated to some degree for this loss. Present estimate is about 15% less wheat and barley production than last year.

Prefectural Land Departments in all prefectures except Tottori are going to have to step up the pace on their land consolidation projects if the land is to be ready for exchange between the time the present crop is harvested and the new crop planted.

Agricultural cooperatives would never have increased their capital stock to what it should be if a Cabinet Order had not been issued directing it. Activity in the drive to increase capital stock has increased ten-fold since the issuance of the Cabinet Ordinance. Although meeting the requirements of the Cabinet Ordinance will put cooperatives on a sound financial basis, [redacted] the fact that they had to be ordered to do it does not speak very well for the cooperative spirit in Japan.

Unless budgetary provisions are made for increase in personnel prefectural governments will be unable to comply with laws requiring the prefecture to audit all cooperative's accounts annually. This is not the same old cry of "we can't do the job without more money"; statistics prove this to be true. It is a physical impossibility for three people - as is the case in Okayama - to audit the books of 405 cooperatives.

6. RECOMMENDATIONS:

None.

Douglas G. O'Brien

DOUGLAS G. O'BRIEN, DAC
Natural Resources Division
Economics Section

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

MEMORANDUM FOR: Record

Good report - Facts and figures presented effectively.

S. Tokuno

SHIRO TOKUNO, DAC
Chief, Natural Resources Div.
Economics Section

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

Nat. Res. Division
File No. D-12-0

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D/DGO/mn

CCAR 319.1

4 November 1950

SUBJECT: Report of Field Trip to Okayama Prefecture, 30 October - 2 November 1950

TO : Chief
Economics Section

PREPARED BY: Douglas G. O'Brien, Natural Resources Division

1. REFERENCE:

a. Memorandum for Record, Subject: "Relationship of Quota Breakdown to Crop Collection."

b. Field Trip Report of undersigned dated 26 October 1950.

c. Field Trip Report of Mr. Colehour dated 22 September 1950, Paragraph 1c.

2. BACKGROUND:

a. Despite repeated field trips and numerous conferences on the subject, the pine bark beetle spread is out running control measures in Okayama Prefecture.

b. This division is trying to call personally at all district offices in the region to expedite revised quota breakdown and thereby make collections easier.

3. DISCUSSION:

Other measures having failed so far to inspire Okayama officials to get on the ball with pine bark beetle control, an attempt was made this time to impress them by sheer force of numbers. The chiefs, Natural Resources Division, Agriculture and Forestry Branch, and individual responsible for beetle control for this headquarters, all participated in the conferences on control in Kurashiki and Tsuyama. These conferences lasted all morning and each of the Civil Affairs representatives took his turn at driving home certain points on control. Among the recommendations made by the undersigned were these:

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a. More interest must be developed at local level. The fact that a forest owner has 3 or 4 infested trees is of no economic significance to him but the mere existence and natural spread of this beetle is of serious economic consequence to the nation. Local people must be made to realize this.

b. A running score showing gains and losses in the war against the beetle should be shown on a graph in every village office, preferably in the mayors office where he can see it every day. Posters and other devices should be used to make local people "beetle conscious".

c. The provisions of the new insect control law should be employed to the fullest extent to get the beetle under control. The day of sympathy for the forest owner is past. Get tough. It is quite obvious that persuasion and pleading does no good. The new control law provides all the legal force necessary. Use it.

Meetings were held at district offices in Kurashiki, Tsuyama, and Katsuyama for the purpose of encouraging early quota breakdown and recommending a system for breakdown on a percentage basis. The same approach as outlined in reference 1b above was used in these conferences. At Katsuyama a meeting of the entire Agricultural Adjustment Committee was called in order to get their reaction to the proposal of pre-allocation breakdown of the quota on a percentage basis. The response was somewhat akin to that made when one is hit on the head with a baseball bat. Although many excuses and reasons were offered in opposition to the proposal, the committee agreed to attempt a percentage breakdown that afternoon. There was no objection made by the committee which the Civil Affairs representatives could not refute logically and accurately.

5. CONCLUSIONS:

a. Top level forestry officials are not making the effort they should to control the pine bark beetle in Okayama.

b. Agricultural Adjustment Committees just do not like the idea of breaking down the quota on a percentage basis prior to receiving it, despite the fact that their objections do not hold water.

6. RECOMMENDATIONS:

Progress in pine bark beetle control in Okayama should be watched very closely and if the officials now in office cannot control it we should begin action to install somebody who can.

Douglas G. O'Brien

DOUGLAS G. O'BRIEN, DAC
Natural Resources Division
Economics Section, CCAR

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

MEMORANDUM FOR: Record

No comment.

GEORGE K. BLACKWOOD, DAC
Chief, Natural Resources Div.
Economics Section, CCAR

Nat. Res. Division
File No. A-12-Y

Nat. Res. Division
File No.

FIELD TRIP REPORT

(1) NAME O'Brien, Douglas, G. (2) SECTION Economics (3) MODE OF TRAVEL Jeep

(4) DEPARTURE DATE 17 October 1950 TIME 0800 hrs (5) RETURN DATE 20 October 1950 TIME 1700 hrs

(6) CONFERENCES, MEETINGS, INSPECTIONS:

	Location	Date	Time	Participants	Purpose
a.	Tabuse	17 October	1100	Chief Agriculture and Forestry Kumase District Office	Crop Collection Cooperatives Land Reform
b.	Tokuyama	17 October	1900	Chief Agriculture and Forestry Saba District Office	"
c.	Bofu	18 October	1000	Chief Agriculture and Forestry Kissa District Office	"
d.	Asa	18 October	1500	Chief Agriculture and Forestry Asa District Office	"
e.	Isakuni	19 October	1300	Chief Agriculture and Forestry Kuga District Office	"
f.	Isakuni	19 October	1430	Chief Agriculture and Forestry Isakuni City Office	"

(7) REMARKS: See attached field trip report.

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(Instructions on reverse side)

Signature

File Index No.

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

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 77 5013

INSTRUCTIONS

1. Personnel going on field trips will complete Sections (1) through (6), inclusive, of this form, in triplicate. The original will be forwarded to the Deputy Chief, 24 hours before departure.

2. Upon return from field trip, Section (7), of duplicate copy will be completed and forwarded to Deputy Chief. Section (7) should include: estimate of success of meeting, conference or inspection, any changes from original schedule and reason thereof, any further remarks person preparing report desires to include.

3. Third copy will be retained in the Section for file.

FIELD TRIP REPORT

(1) NAME _____ (2) SECTION _____ (3) MODE OF TRAVEL _____

(4) DEPARTURE DATE _____ TIME _____ (5) RETURN DATE _____ TIME _____

(6) CONFERENCES, MEETINGS, INSPECTIONS:

	Location	Date	Time	Participants	Purpose
a.	Hatsukaichi	20 October	1000	Chief Agricultural and Forestry Saiki District Office	Crop Collection Cooperatives Land Reform
b.	Kaitaichi	20 October	1400	Chief Agricultural and Forestry Aki District Office	"
c.					
d.					
e.					
f.					

(7) REMARKS: _____

(Instructions on reverse side)

Douglas H. O'Brien
Signature

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

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 77 5013

INSTRUCTIONS

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3. Third copy will be retained in the Section for file.

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

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D/DGO/mn

CCAR 319.1

26 October 1950

SUBJECT: Report of Field Trip to Yamaguchi and Hiroshima Prefectures, 17 - 20 October 1950

TO : Chief
Economics Section

PREPARED BY: Mr. Douglas G. O'Brien, Natural Resources Division

1. REFERENCE:

Memorandum for Record, Subject: "Relationship of Quota Breakdown to Crop Collection," dated 23 October 1950.

2. PURPOSE:

Purpose was to encourage early breakdown of 1950 revised rice quota.

3. BACKGROUND:

The rice collection program is a difficult job and an unpleasant one. Any preliminary work which can be done by us to make it easier will pay big dividends when the collection gets under way at full steam.

4. DISCUSSION:

Conferences were held with the chiefs, and Economics chiefs of all the district offices in the Sanyo District between Kure and Shimonoseki. The District Chiefs are all concurrently chairmen of the District Agricultural Adjustment Committee. By spending time with these people, who run the operational phase of the collection as well as head the committee which breaks down the quota, it was possible to lay the ground work for the rice collection program where it will do the most good. Discussion was generally centered around ways and means to reduce the time required to break down the revised quota and how to get it to the farmer quicker. The undersigned proposed a four point program for district offices to follow in expediting the breakdown. Briefly, the recommendations were these.

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a. Hold meetings of the Adjustment Committee prior to receiving the quota for the purpose of accomplishing all of the 'red tape' and introductory griping associated with the breakdown. Get it all out of the way before hand. Hear out each malcontent, review and review and review crop damage statistics, rehash the inevitable gripes, but do all of this now and try to evolve a formula which can be applied to a quota figure when it is received.

b. Bring pressure to bear on all village Agricultural Adjustment Committees to do the same thing. Make sure they understand the importance of accomplishing this work as early as possible.

c. When the revised quota is received, call a meeting immediately to break it down. If the gun, city, or village representative gets the quota at a meeting phone it back and get notices out immediately, that a meeting will be held. This business of holding a meeting 5, 7 and 10 days after the quota is received is inexcusable.

d. INSIST that town and villages in your area of jurisdiction do the same thing. When quota is broken down at gun level, nothing is accomplished if a follow-up at village level is not begun immediately and finished quickly.

Some discussion in each area was held on typhoon (Kezia) damage to crops. All original estimates have been greatly modified, but damage is still high in Yamaguchi and western Hiroshima. Areas which were earlier considered to be a total loss have been found to have from 30% to 50% productivity. This nowever, may be counteracted by insect and disease damage because of the weakened condition of the crops. Probably only after the harvest, will an accurate picture of damage be available.

5. CONCLUSION:

Some preliminary work in crop collection which will help us greatly later was accomplished during this trip.

6. RECOMMENDATIONS:

That early quota breakdown be made the subject of discussions between the chief and prefectural governors when they meet.

Douglas G. O'Brien

DOUGLAS G. O'BRIEN, DAC
Natural Resources Division
Economics Section, CCAR

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

MEMORANDUM FOR: Record

Request Natural Resources be notified prior to next meeting of Commanding Officer and Governors so that latest information may be given.

GKB

GEORGE K. BLACKWOOD, DAC
Chief, Natural Resources Div.
Economics Section, CCAR

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

Noted Hek

Nat. Res. Div. File No. 0D 12-0

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

CCAR 319.1 (D-Ob)

2 October 1950

SUBJECT: Report of Field Trip, Okayama, Tottori, Matsue and Yamaguchi, 25 - 29 September 1950

TO : Chief
Economics Section

PREPARED BY: Douglas G. O'Brien, Natural Resources Division.

1. REFERENCE:

None.

2. PURPOSE:

Purpose of trip was to conduct routine surveillance and hold conferences at prefectural level on the following subjects:

a. Crop Collection.

b. Financial condition of Agricultural Cooperatives.

c. Progress in execution of written rental agreements.

d. Progress in land consolidation.

e. Crop reporting and estimating proceedures.

3. DISCUSSION:

a. Crop Collection

The mugi collection program has slowed down perceptibly in Okayama and has come to a virtual standstill in Tottori and Shimane. Prefectural officials in each of these prefectures were again forcefully reminded of their responsibility for 100% quota completion. Okayama is creeping toward completion (97% - 20 September) and will probably make the grade. However, 100% completion is problematical in Shimane and really doubtful in Tottori. In the latter prefecture food officials swear that the mugi is not physically present, that all has been collected,

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and that soybean, rape seed, last years rice and other substitutes will have to be collected in lieu of mugi. They claim to be making an all out effort to hit 100% but are not too optimistic. The 34,820 koku collected in Tottori to date represents 77.8 of the final quota and 135% of the pre-planting quota.

There is a great variance among prefectures in their interpretation of the Ministry's policy on the use of legal force to collect over-quota. Okayama and Tottori were under the impression that they could not, Shimane and Yamaguchi thought they should. (Yamaguchi, which completed 100% delivery, did not have to invoke legal measures.) Prefectural officials claim that there is no legal basis for breaking down over-quotas to farmer level and hence no legal way to make him deliver. Shimane Prefecture incorporated a translation of Lt. Col. Schenks 29 July letter to the Minister of Agriculture and Forestry in their instructions to lower government echelons on crop collection proceedures.

b. Cooperatives

Except for Okayama, the financial condition of agricultural cooperatives is considerably improved throughout the region as indicated by the reduced number of unit cooperatives which are limiting or suspending withdrawals. Moreover it is estimated that the number limiting withdrawals will be further reduced or eliminated as the current rice crop money comes in beginning next month. During this trip pressure was brought to bear on prefectural officials to expedite the registration of Nogyo Kai assets which have been liquidated. The program is progressing but much too slowly. Another matter brought to the attention of prefectural officials was the minor crime wave which seems to be sweeping the cooperatives. They were informed that financial failures resulting from embezellment should receive immediate attention to ensure that those responsible were prosecuted to the fullest extent of the law and extensive publicity be given to punishments meted out in each case.

c. Rental Agreements

Although some progress has been made in the execution of written rental agreements throughout the region, the program has been impeded by a number of factors. First, the ministry announced its intent to change the official price of land long before a new price was announced. During that period the drawing up of a rental contract would have been a waste of time. Secondly, Local Land Commissions were waiting for a decision which would establish the legal responsibility for field adjustment costs (tenant or farmer). Responsible officials were informed that since these matters had been officially decided there was no longer any excuse for further delay in this program and that they should work assiduously to complete it in order to solidify the land reform program.

d. Land Consolidation

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Little or no progress was noted in the Land consolidation program. The program is one of such magnitude and complexity that it will naturally move at a very slow pace. Efforts of the undersigned were directed toward selling the program in each prefecture to officials in the land Section. The most significant trend noted during this trip was the change in attitude toward the program. A few months ago suggestions were met with an attitude of passive indifference accompanied by excuses in some cases. This has been replaced to a degree by a mild enthusiasm. Because of the money and work involved, nobody is going overboard on the program.

Land Departments of each prefecture presented petitions requesting the support of Civil Affairs in their plea to the Central Government not to reduce Land Department personnel by 90% as proposed by the Finance Ministry. The problems resulting from this personnel reduction were discussed at length but no committments were made by the undersigned. (See conclusions and recommendations)

e. Crop Reporting Procedures

Visits were made to the Statistics Investigation Office in each prefecture in order to ascertain whether complaints by prefectures that crop estimates by the SIO were in error might have some justification. Methods employed by the SIO are scientifically sound and beyond the ability of the undersigned to challenge. The crop estimate is based on (1) Estimate of area planted in the crop based on the mean % of error in farmer estimates as revealed by samplings and survey and (2) actual head-count, health etc. of the crop based on scientifically selected samplings. The latter provides a production-per-tan figure and is miltiplied by the area (1) estimated to be planted in that crop to give the prefectural estimate of production. The estimate of production per tan is probably accurate within a fraction of a per cent. However, the undersigned entertains some doubt as to the infallibility of the estimated area of land planted in that crop. For example, in Tottori SIO estimated that 11,828 cho were planted to mugi in 1949 and 14,560 cho in 1950 or an increase of 20%. Agricultural experts state that this is very unlikely in terms of available land and traditional use thereof. Numerous other factors and statistics would indicate that a possible serious error was made in Tottori. Either this or estimates are inaccurate in the other 47 prefectures in the country. One SIO official commented that the reason Tottori's estimate was so high was because his office refused to "play ball" with the prefectural food people like SIO's did in other prefectures.

5. CONCLUSIONS:

a. Completion of 100% mugi collections will be more difficult than originally anticipated, especially in Tottori and Shimane. Tottori may never reach 100%.

b. Continued and repeated cases of fraud and corruption among cooperative officials is doing serious damage to the cooperative movement.

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c. With all obstacles removed, all land still under tenancy should be covered by written rental agreements by the end of this year.

d. Although prefectural Land Department staffs could be reduced somewhat without impairing efficiency, the 90% reduction proposed would, in fact, render the Land Consolidation program a mortal blow. Since Land Consolidation is a vitally needed reform, this would be a bad thing for Japan.

6. RECOMMENDATIONS

a. (Reference 5b above). This headquarters approve and forward to the Governors of prefectures the letter now in preparation by the Natural Resources Division of the Economics Section relative to corruption in Agricultural Cooperatives.

b. This headquarters lend some credence to the opinions expressed by Land Departments that a 90% cut in personnel will seriously impede if not destroy the Land Consolidation program Moreover, it is recommended that the petitions submitted by land Departments be forwarded with appropriate evaluation, comments and recommendations by this headquarters.

Douglas G O'Brien
DOUGLAS G. O'BRIEN, DAC
Natural Resources Division
Economics Section

MEMORANDUM FOR RECORD:

1. (Reference 5b, 6a above) A letter is being prepared to governor of each prefecture, bringing to their attention the numerous newspaper articles reporting embezzlement of cooperative funds.

2. Petition received in regard to cut in personnel is being studied prior to making recommendations.

GEORGE K. BLACKWOOD, DAC
Chief, Natural Resources Div.
Economics Section

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

Noted
Good report
HLK

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

Nat. Res. Division
File No. D-12-0BB/6

23 September 1950

SUBJECT: Report of Field Trip through Okayama and Hiroshima Prefectures, 19 - 22 September 1950

TO : Chief
Economics Section

1. Purpose:

Purpose of trip was to (1) expedite crop collection (2) make monthly local spot checks on cooperatives (3) review crop estimating techniques with local SIO (4) discern crop damage resulting from "Jane" and "Kezia".

2. Background:

a. Certain small areas in Hiroshima and Okayama are holding up completion of 100% Mugi Quota in those prefectures.

b. Agricultural Cooperatives for the last few months have been going through a period of financial uncertainly which has General Headquarters worried, If they fail financially the whole cooperative idea fails. Although they are surviving the reputed "panic", spot checks in each prefecture are mandatory if Civil Affairs is to keep abreast of trends in this vitally important reform.

c. The fight between the Minister of Agriculture and Forestry and the prefectural governors in Tokyo over quota allocations has permeated the lowest echelons of government. The big issue is: Are the Statistical Investigation Offices' estimates of staple food production accurate?

3. Discussion:

As noted in item 7 of attached field trip schedule, itinerary was altered in order to make personal calls on officials responsible for the two guns which are lagging behind in Okayama. Of all the routine excuses offered for non-delivery only one was worthy of refuting and consequently worthy of note here. Local officials contend that repeated references in the press to the favorable food situation and the resulting relaxation of controls, pressures and general concern on the part of the government is seriously impeding the mugi collection program. This turned up in every

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conference held on crop collection. Responsible officials were informed in each instance that no such policy of relaxation exists and that 100% plus must be collected. (See Par. 4, conclusions and Par. 5 recommendations)

The visit to Onomichi City was made to ascertain why its 1950 mugi collection was a large zero as of 19 September. Investigation disclosed that the revised quota breakdown to farmers was not completed until the end of August and collections not begun until 9 September. Practically the entire quota was collected in one week in Onomichi. Percentage at the time of this visit was 92% and the mayor guarantees 100% or better in the next 8 days.

The Cooperatives visited on this trip were in excellent financial condition and radiated optimism. The fact that the two selected to spot check on this trip happened to be in such good shape is mere coincidence. No conclusions can be drawn therefrom because balance sheets indicate that there has been no such thing as "Recovery". They have been in the black and earning money since their inception in 1947. It was just unfortunate that these two were visited. Only one comment can be made: The cooperatives visited are big - over 2,000 members - and like all big cooperatives are well off financially. It has been conclusively proved by observation that the bigger the cooperative, the better - (financially).

During this trip several hours were spent with local crop reporting offices - now known officially as and hereafter referred to as the Statistics Investigation office ..... or SIO. This time was required to probe to the very roots the means, devices, techniques, scientific approaches, conjectures, guesses and ouija boards employed by the SIO to compute production estimates.

Distrust of SIO estimates has been smoldering among prefectural and local agencies for years but has only recently blossomed into an outright challenge, provoked, presumably, by the recent fight between the MAF and the prefectures. The mere fact that SIO actuaries were emphatic in their pronouncements of intents to take more samples and head-counts indicates that they, too, entertain some doubt as to the accuracy of their estimates. Nevertheless, by all the standards known to the undersigned, the MAF's SIO's procedure for estimating staple food production (by crop) is the best that can be found. The exactness of purpose and precision of methods employed by the SIO are too complex to report here but are deserving of recognition as scientifically acceptable. This field trip is only the beginning of a project which hopes ultimately to prove or disprove the validity of SIO production estimates.

Serious crop damage by typhoon "Kezia" reaches its eastern termination at a point approximately 15 miles ENE of Onomichi. Naturally, all areas subjected to winds and heavy rains are claiming crop damage - average claim: 30% damage but the fact reamins that the crop was good before Kezia

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hit. Meaning: stalks were strong, hulls solid, etc. Rice in this condition can withstand a tremendous beating. If we modify Japanese estimates of 30% damage down to something between 10% and 20% will probably have a fair estimate of crop losses. Okayama Prefecture totaled up crop damage as reported by farmers and came out with the figure 450,000 koku or over 50% of the crop reported as lost. Obviously, no credence can be given to this figure but it shows the eagerness of all concerned to squeeze out from under delivery quota requirements and use any device or act of God as an excuse. All areas visited were advised that large downward quota revisions were very unlikely and that they would be better off not to plan on any reduction.

4. Conclusions:

a. The problem mentioned in Paragraph 2 relative to farmers withholding delivery of crops on the false assumption that the food situation does not require 100% quota fulfillment will not cause us much difficulty with the collection of mugi. Other factors make it desirable for farmers to deliver mugi. However, when the rice collection program starts we will have one more obstacle to overcome.

b. Larger cooperatives are consistently better off financially than smaller ones. It is wise to refrain from discouraging amalgamation of unit cooperatives if it is clearly discerned that amalgamation will help them financially.

c. More extensive investigation of SIO procedures is necessary before any definite conclusions can be drawn as to the validity of their estimates of staple food production.

d. Although some crop damage has undoubtedly occurred, it is not as serious as reported. Final estimates are not complete but honest Japanese are guessing a possible 15 - 20%.

5. Recommandations:

All civil affairs personnel should take advantage of every opportunity to dispel the idea that the food situation has improved to the point where 100% delivery is no longer necessary. Local officials should be warned that continued imports of food is problematical and if same should be curtailed because of military needs for shipping, Japan's food situation would become grim indeed. Every grain of staple food must be collected and stored regardless how bright the food picture may look at present.

DOUGLAS G. O'BRIEN, DAC
Natural Resources Division
Economics Section, CCAR

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

Report of Field Trip through Okayama and Hiroshima Prefecture,
19 - 22 September 1950 by Mr. Douglas G. O'Brien, dtd 23 September 1950.

MEMORANDUM FOR RECORD:

It is requested that Colonel Bailey bring out in the staff meeting the recommendation as made by Mr. O'Brien.

GEORGE K. BLACKWOOD, DAC
Chief, Natural Resources Div.
Economics Section, CCAR

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

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

CCAR 319.1 (D-Ob) 2 October 1950

SUBJECT: Report of Field Trip, Okayama, Tottori, Matsue and Yamaguchi, 25 - 29 September 1950

TO : Chief
Economics Section

PREPARED BY: Douglas G. O'Brien, Natural Resources Division.

1. REFERENCE:

None.

2. PURPOSE:

Purpose of trip was to conduct routine surveillance and hold conferences at prefectural level on the following subjects:

a. Crop Collection.

b. Financial condition of Agricultural Cooperatives.

c. Progress in execution of written rental agreements.

d. Progress in land consolidation.

e. Crop reporting and estimating procedures.

3. DISCUSSION:

a. Crop Collection

The mugi collection program has slowed down perceptibly in Okayama and has come to a virtual standstill in Tottori and Shimane. Prefectural officials in each of these prefectures were again forcefully reminded of their responsibility for 100% quota completion. Okayama is creeping toward completion (97% - 20 September) and will probably make the grade. However, 100% completion is problematical in Shimane and really doubtful in Tottori. In the latter prefecture food officials swear that the mugi is not physically present, that all has been collected,

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and that soybean, rape seed, last years rice and other substitutes will have to be collected in lieu of mugi. They claim to be making an all out effort to hit 100% but are not too optimistic. The 34,820 koku collected in Tottori to date represents 77.8 of the final quota and 135% of the pre-planting quota.

There is a great variance among prefectures in their interpretation of the Ministry's policy on the use of legal force to collect over-quota. Okayama and Tottori were under the impression that they could not, Shimane and Yamaguchi thought they should. (Yamaguchi, which completed 100% delivery, did not have to invoke legal measures.) Prefectural officials claim that there is no legal basis for breaking down over-quotas to farmer level and hence no legal way to make him deliver. Shimane Prefecture incorporated a translation of Lt. Col. Schenks 29 July letter to the Minister of Agriculture and Forestry in their instructions to lower government echelons on crop collection procedures.

b. Cooperatives

Except for Okayama, the financial condition of agricultural cooperatives is considerably improved throughout the region as indicated by the reduced number of unit cooperatives which are limiting for suspending withdrawals. Moreover it is estimated that the number limiting withdrawals will be further reduced or eliminated as the current rice crop money comes in beginning next month. During this trip pressure was brought to bear on prefectural officials to expedite the registration of Nogyo Kai assets which have been liquidated. The program is progressing but much too slowly. Another matter brought to the attention of prefectural officials was the minor crime wave which seems to be sweeping the cooperatives. They were informed that financial failures resulting from embezzlement should receive immediate attention to ensure that those responsible were prosecuted to the fullest extent of the law and extensive publicity be given to punishments meted out in each case.

c. Rental Agreements

Although some progress has been made in the execution of written rental agreements throughout the region, the program has been impeded by a number of factors. First, the ministry announced its intent to change the official price of land long before a new price was announced. During that period the drawing up of a rental contract would have been a waste of time. Secondly, Local Land Commissions were waiting for a decision which would establish the legal responsibility for field adjustment costs (tenant or farmer). Responsible officials were informed that since these matters had been officially decided there was no longer any excuse for further delay in this program and that they should work assiduously to complete it in order to solidify the land reform program.

d. Land Consolidation

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Little or no progress was noted in the Land consolidation program. The program is one of such magnitude and complexity that it will naturally move at a very slow pace. Efforts of the undersigned were directed toward selling the program in each prefecture to officials in the land Section. The most significant trend noted during this trip was the change in attitude toward the program. A few months ago suggestions were met with an attitude of passive indifference accompanied by excuses in some cases. This has been replaced to a degree by a mild enthusiasm. Because of the money and work involved, nobody is going overboard on the program.

Land Departments of each prefecture presented petitions requesting the support of Civil Affairs in their plea to the Central Government not to reduce Land Department personnel by 90% as proposed by the Finance Ministry. The problems resulting from this personnel reduction were discussed at length but no committments were made by the undersigned. (See conclusions and recommendations)

e. Crop Reporting Procedures

Visits were made to the Statistics investigation office in each prefecture in order to ascertain whether complaints by prefectures that crop estimates by the SIO were in error might have some justification. Methods employed by the SIO are scientifically sound and beyond the ability of the undersigned to challenge. The crop estimate is based on (1) Estimate of area planted in the crop based on the mean % of error in farmer estimates as revealed by samplings and survey and (2) actual head-count, health etc. of the crop based on scientifically selected samplings. The latter provides a production-per-tan figure and is multiplied by the area (1) estimated to be planted in that crop to give the prefectural estimate of production. The estimate of production per tan is probably accurate within a fraction of a per cent. However, the undersigned entertains some doubt as to the infallibility of the estimated area of land planted in that crop. For example, SIO estimated that 11,828 cho were planted to mugi in 1949 and 14,560 cho in 1950 or an increase of 20%. Agricultural experts state that this is very unlikely in terms of available land and traditional use thereof. Numerous other factors and statistics would indicate that a possible serious error was made in Tottori. Either this or estimates are inaccurate in the other 47 prefectures in the country. One SIO official commented that the reason Tottori's estimate was so high was because his office refused to "play ball" with the prefectural food people like SIO's did in other prefectures.

5. CONCLUSIONS:

a. Completion of 100% mugi collections will be more difficult than originally anticipated, especially in Tottori and Shimane. Tottori may never reach 100%.

b. Continued and repeated cases of fraud and corruption among cooperative officials is doing serious damage to the cooperative movement.

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c. With all obstacles removed, all land still under tenancy should be covered by written rental agreements by the end of this year.

d. Although prefectural Land Department staffs could be reduced somewhat without impairing efficiency, the 90% reduction proposed would, in fact, render the Land Consolidation program a mortal blow. Since Land Consolidation is a vitally needed reform, this would be a bad thing for Japan.

6. RECOMMENDATIONS

a. (Reference 5b above). This headquarters approve and forward to the Governors of prefectures the letter now in preparation by the Natural Resources Division of the Economics Section relative to corruption in Agricultural Cooperatives.

b. This headquarters land some credence to the opinions expressed by Land Departments that a 90% cut in personnel will seriously impede if not destroy the Land Consolidation program. Moreover, it is recommended that the petitions submitted by land Departments be forwarded with appropriate evaluation, comments and recommendations by this headquarters.

DOUGLAS G. O'BRIEN, DAC
Natural Resources Division
Economics Section

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Returned to McBlain Hd
Noted HEK

Gen. Res. Division
File No. D-12-OBrien

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
APO 182

14 September 1950

SUBJECT: Field Trip to Otake, Iwakuni, Takamori and Kuga
7 - 8 September 1950

TO : Chief
Economics Section

1. Purpose:

Purpose of trip was to expedite crop collection and encourage land consolidation as a possible solution to present economic difficulties among rural groups.

2. Background:

None.

3. Discussion:

Meeting were held as per attached schedule. At each locality the following points were stressed by the undersigned.

a. The present unfavorable financial condition of farmers results from the fact that it costs more to produce one koku of rice than the government pays for it and rice production, in most cases, is the farmers soul enterprise.

Sole-no?

b. The government cannot raise the purchase price of rice without throwing the entire economy out of gear. Should a substantial increase in the price of rice to farmers be granted by the government it would ultimately affect the farmer adversely in the form of much higher prices for consumer goods.

c. Subsidies for farmers are very unlikely as the granting of same is contrary to existing policies and plans for economic recovery in Japan.

d. Therefore the solution for the farmer seems to lie in reducing the cost of production of rice and at the same time begin operations in other money earning enterprises, the latter of which is presently impossible because of the time factor.

e. One important reason for high production cost is the inefficiency with which the average farm is operated. The wide

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dispersal of paddy fields owned by individual farmers requires 2 to 3 times the labor, use of draft animals and vehicles, and time which would be required if they were consolidated into one area. The time alone required to work several fields located at different points over a wide area precludes any chances for farmers to engage in other projects such as livestock, poultry etc. which would earn money.

f. The obvious solution to the present problem is rationalization of farm operation through a land separation, exchange and consolidation program.

g. It is part of the land commissions job to explain the program and encourage its universal application.

This was the first attempt to sell this program as a solution to the present agrarian economic difficulty and reaction was unexpectedly favorable. Previous conferences and trips have been marked by a subtly inferred resistance to the program. Whereas in the past the objection was based on ancestral obligation to work the same land and a traditional attachment to certain fields, the problem now uppermost in the farmers mind is how to bear the cost of registration which would be necessary when the land is exchanged. The government bore the cost of registration in the basic land reform program.

Crop collections in all areas visited were proceeding at a rate for in excess of target goals set early in the season. Kuga village had already reached 120% of the mugi quota. The area visited is a big rice producing basin and it was encouraging to hear local officials responsible for collections state that this is the best crop in eight years.

4. Conclusions:

Land consolidation would be a reality much earlier if the government could again assume the responsibility for registering the transfer of land which would take place.

5. Recommendations:

Close watch should be kept on the current rice crop toward a possible revision of quotas upward.

DOUGLAS, G. O'BRIEN, DAC
Natural Resources Division
Economics Section, CCAR

MEMORANDUM FOR RECORD:

Recommendations self explanatory.

George K. Blackwood
GEORGE K. BLACKWOOD, DAC
Chief, Natural Resources Div.
Economics Section, CCAR

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

Mr. O'Brien
Protot
Hdk

FIELD TRIP REPORT

File

14 May 1950
Okayama.

Nat. Okayama DIVISION

File No D-12-OBrien

1. Purpose:

Conferences with Prefectural Government Officials of,

Agricultural Cooperative Association Section,
Food Section,
Okayama Agricultural Land Office, M, A and F.

2. Background:

Surveillance in accordance with O.D. 12.

3. Discussion:

a. Conferees,

Mr. Sakata, Chief Agricultural Cooperative Association Section.
Mr. Shigenari, In charge of General Guidance and Supervision.

(1) The precarious financial conditions of many Agricultural-Cooperatives which resulted in the suspension or restriction of payment of farmer's deposits were attributable, aside from the irregularities perpetrated by some corrupt officials and mismanagement by incompetent officials, to the following reasons.

(a) Tax payment by farmers which resulted in the withdrawals by the farmers of a large amount of money from the Agricultural-Cooperatives.

(b) A wide publicity given in the newspapers to the imminent panic that might occur in the rural country has scared the farmers into the fanatic rush to the Agricultural-Cooperatives for withdrawals.

(2) However, the situations are improving gradually due to the following reasons.

(a) The period of tax payment has passed.

(b) The insecure feelings among the farmers caused by the newspaper articles and radio-

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broadcast regarding the financial plight of the Agricultural-Cooperatives have subsided and the farmers have started to make deposits in the Agricultural-Cooperatives again.

(3) Action taken by prefectural government.

(a) The prefectural assembly passed during March 1950 a bill to raise ¥40,000,000 for the financial relief to unhealthy Agricultural-Cooperatives. Of the abovementioned money a sum of ¥25,000,000 is earmarked by the prefectural government to be used immediately to give loans to Agricultral-Cooperative through the prefectural Federation of credit Agricultural-Cooperatives Associations.

(b) The Agricultural-Cooperative Association Promotion Countermeasures Hq. (Nogyo Kyodo Kumiai Shinko Taisaku Honbu) was recently established to make investigations and guidance to the Agricultural-Cooperatives both from the stand point of financing and management.

(4) The Agricultural-Cooperatives most eagerly desire to have the national loans realized at this time at low rate of interest on a long term basis.

b. A conference with Mr. Sato, Chief of Prefectural Food Section.

(1) Status of pre-planting rice quota allocation from prefectural government down to the individual farmer level as of 10 May 1950.

	Total Number	Completed (as of 10 May 1950)	Not Completed
No of Cities, Towns and Villages.	368	351	17 villages.

NOTE: The deadline date for the breaking down of quota to individual farmer level was 31 March 1950, the prefectural Food Section called in the heads of 17 villages and requested them to expedite the breaking down of pre-planting quotas by 15 May 1950.

The Section Chief presumed all remaining 17 villages excepting one village had completed it by 15 May 1950.

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(2) Farmers movement in the rural country.

(a) Organization,

Membership, Non-compulsory
Fees, arbitary.

(b) Name.

Nomin Domei (Farmers League) established in 1947.

Other names unknown.

(c) Major objectives.

Opposition to severe rice delivery quotas.
Opposition to heavy taxation.

(d) No concrete information was available from chief of Prefectural Food Section. This matter should be studied on an individual farmer level in the future.

(3) Mr. Sato's opinion on the decontrol of staple foods. If they should be decontrolled staple foods dealers will be authorized to handle them in which case there would be a danger of these dealers monopolizing and making use of the staple foods transactions at the sacrifice of the farmers. In conclusion, so far as rice is concerned it should be under control at least for the time being.

c. Conferees,

Mr. Wakabayashi, Chief Agricultural Land Section. Okayama Agricultural-Land Office, M, A and F.

Mr. Masumitsu, Chief Administration Department, M, A and F.

(1) Registration of land.

A piece of land is considered as completely registered when documents regarding the land to be sold are processed to the Registration Office and it is duly filed there.

The total acreage of lands that is reported to M, A and F Tokyo as registered is based on the

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number of cases that have been referred from this office to the Registration Office for registration.

In some cases the Registration Office refuses to accept the papers from this Office as unsuitable for registration.

(2) Concrete procedure to be taken in connection with the registration of land.

In case either the selling or purchasing of land requires the registration of land the farmer concerned will refer the matter to Agricultural-Land Commission.

The Agricultural-Land Commission compiles the document for registration in behalf of the prefectural governor and the district office will actually put the governor's seal (Han) upon the submittal of documents by the Agricultual-Land Commission to the district office. Then the documents will be sent to the Registration Office. In accordance with Registration Law the documents becomes effective when it is filed at the Registration Office because recording of the documents every time they are submitted to registration office will take a considerable time and labor. The Registration Office at this time issues a certificate for completion of Registration.

The registration procedure is deemed completed at the Registration office at this stage and does not extend to any government offices in Tokyo. However, the total acreage of land so registered will be reported to the prefectural branch of Attoney General's Office (Homu Kyoku).

NOTE: No definite per-centage of rejection by the registration office of documents was available.

But there were a few cases of documents that had been rejected by the Registration Office because of incomplete compilation of documents due to clerical errors.

(3) Purchasing of Land.

The local Agricultural-Land Commission will send a notification to the owner of land in case his land should be purchased by the government according to the Agricultural-Land Reform Law.

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The procedure involved is same as mentioned above. However, the percentage of rejection by the Registration Office is much higher than that of selling of land.

A sales notification will be stamped by the registration office and sent to the local Agricultural-Land Commission.

Then it will be handed over from the Commission to the purchaser of land.

(4) Relation between Registration Office and Taxation Office.

The Registration Office (the total number of which in Okayama Prefecture is 63) will duly notify the Taxation office regarding changes in the ownership of lands arising from the sales, purchases and transfers of lands.

(5) Registration Office and its connected echelons.

The Registration Office is directly under the Prefectural Branch of Attoney Generals Office. It is an independent organ with no domination or interference from any other Government Offices.

(6) In order to get the correct figure of the total lands that have been registered this headquarters must get it from Prefectural Branch of Attoney General's Office.

(7) Function of Agricultural Land Office.

This office is a branch office of Agricultural Land Bureau of the M A and F. There are six(6) branches like this in Japan.

Major lines of business handled by this office are as follows:

Matters concerning the sales and purchases of lands in connection with Agricultural Land Reform, matters concerning the supervision on the national projects by agricultural engineers of this office, matters concerning the custody of national land.
Matters concerning the guidance and supervision on the businesses of Prefectural Agricultural-Land, Reclamation, cultivated-land Sections,
Matters concerning the supervision on the Pref-

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ectural and National land inprovement programs, etc.

These businesses are being handled by three departments i.e., Administrative (or Custody), Planning and Construction departments of this office.

4. Conclusion:

a. The financial condition of Agricultural-Cooperatives appears to be improving in Okayama Prefecture. The total number of the Agricultural-Cooperatives that were restricting the payment of deposits to the farmers was reported to be 40 about two weeks ago but as of 15 May 1950 the Prefectural Government officials estimated it to have decreased to 30.

b. The pre-planting rice quota allocation from Prefectural Government to individual farmer level appears to have been completed by 15 May 1950 with the exception of one village.

The farmers movement in the rural country should be investigated on an individual farmer basis.

c. The Agricultural Land office prepares the reports as of 1st of each month on the total acreage of lands for which documents have been sent to Registration Office for registration covering the previous one month from 1st through the end of the month whereas the Prefectural Agricultural Land Department compiles the monthly reports covering the period from 25th of the previous month through 26 of the next month, hence the discrepancy in the reported figures between the two.

5. Recommendation:

a. The officials present were advised that,

(1) The Agricultural-Cooperative Promotion Countermeasures H.Q. should send its officials to the field and make a correct analysis of the financial condition of Agricultural-Cooperatives and the action to be taken and the money to be used should be directed to individual Agricultural Cooperatives.

(2) Furthermore, the reconstruction and revamping of the Agricultural-Cooperatives should be attained by the Agricultural-Cooperatives themselves by their own initiative and not by the governmental loans alone.

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N.A. Res. Division
File No. D-11. OBRIEN

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
APO 182

17 August 1950

SUBJECT: Report of Field Trip through Okayama, Tottori and Shimane Prefectures. 7 - 10 August 1950

TO : Chief, Economics Section

1. Purpose of trip was to conduct routine surveillance of Agriculture and Forestry Programs with special emphasis on written rental agreements, amalgamation of cooperative federations and forestry extension.

2. Background:

None.

3. Discussion:

Areas were visited and conferences held as per attached schedule. Shimane Prefecture is further along with rental contracts than other prefectures. They are using a standard form which is complete to the last detail, legally binding yet easy to understand. In other areas forms are being drafted but progress is slow. The undersigned was impressed with the utter lack of enthusiasm for completion of this program on the part of local land commissions. As in other areas, the advantages and security in written contracts were again reviewed. The statement that reluctance to sign a contract is a clear indication of intended chicanery seems to bring land commissions around quicker than anything else.

In Okayama Prefecture, particularly, unit coops are vociferous in their condemnation of federation activities. When asked their opinion on amalgamation, unit coops in Tsuyama stated that liquidation would be a better thing for the federations. In Tottori and Shimane the attitude among unit coops is more apathetic but they unaminously concur that amalgamation is a good thing. Although there is considerable talk on the subject not one unit coop has planned to call a general meeting to vote on the subject as required by law.

Tottori Prefectural officials responded to their 19,000 koku over quota delivery allocation in a matter quite inconsistent with their previous reaction to other and similar relatively severe requirements imposed on them. In short, they are highly inscensed at and openly hostile toward the central government

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for what they consider a grave injustice. They hold that because Tottori ken was first to complete other crop collections, first to complete land transfers, first to complete registration, first to complete Nogyo Kai liquidation and first to fulfill all other MAF requirements that the MAF thinks they can do anything. As a result, they believe that Tottori was called on to deliver the heavy end of the bulk reductions presented to other prefectures as a result of political shinanigans.

The chief of the Tottori Agriculture and Forestry Department queried the Ministry on the basis for a 64% over quota allocation and was told that the crop reporting office estimated production in Tottori to be capable of meeting that quota. When Tottori interposed objections on grounds that the survey was not accurate because production was not estimated by town and village, the MAF countered with the statement that the survey was based on town and village production estimates and figures were available. Tottori then accepted the 64% over quota but requested permission to use these figures as a basis for breaking down the over quota and same was granted by MAF. However, when Tottori Ken officials requested the food office for this data they were informed that no such figures were available because no survey of that nature was ever made. Result: a second trip to Tokyo and further delay in quota breakdown in Tottori.

The story as presented by Tottori prefectural officials is not in agreement with the proceedings at the Tokyo conference as reported by NRS, GHQ in Weekly Summary 250 page 5 par f. This descrepancy will be made the subject of a subsequent meeting with the Tottori officials concerned.

As a result of several conferences with unit cooperatives, federation representatives, and private fertilizer dealers, it looks very much like the purchase federations have missed the boat again in fertilizer distribution. Private dealers are way out infront, having made negotiations and arrangements for shipments, solicited business, established a price and begun delivery. Unit cooperatives still cannot even quote the farmer a price on fertilizer, still waiting for the federation to set a price. This, in a way, is bad for the cooperatives because they need the business badly at this time.

Over two months ago the undersigned contacted all of the purchase federations and advised them to get busy or they would be out of luck. At that time they stated that negotiations were completed for a substantial loan, arrangements were being made with manufacturers and that every thing was all set up to go.

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What happened in the meantime is not known but will be ascertained. It is a safe guess that the same sloppy inefficient management which has marked all purchase federation operations before was at its wishy-washy worst in this operation.

4. Conclusion:

a. The execution of written rental agreements will have to be pushed consistently.

b. Collection of the rice over-quota assigned to Tottori is going to be difficult.

c. There seems little hope for the unit cooperatives until some honest housecleaning is done in the federations.

5. Recommendations:

None.

Douglas G. O'Brien

Douglas G. O'Brien, DAC
Natural Resources Division
Economics Section

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Nat'l Archives Division
File No. D-12-OBrien

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

5 August 1950

SUBJECT: Report of Field Trip to Oshima Island and Yanai, Yamaguchi Prefecture, 1 - 2 August 1950

TO : Chief, Chugoku Civil Affairs Region

1. Purpose: Purpose was to conduct routine surveillance of Agricultural activities with particular emphasis on written rental agreements, crop collection, and agricultural co-operative amalgamation.

2. Background: None

3. Discussion:

Meetings were held with Agricultural Cooperative officials, Local Land Commissions, Economics Chiefs and the mayors in Kuga village on Oshima Island and Yanai Town , both in Yamaguchi Prefecture. Conferences with Co-op officials were centered around the need for unit co-ops to act collectively to bring about amalgamation of co-op federations if they thought the move would benefit them financially. One significant development noted was an "I-told-you-so" attitude among co-op officials when discussing the apparent inability of federations to operate independently of one another. A unit co-op official who is concurrently a director of a federation stated that the federations were organized separately because of a GHQ recommendation and against the better judgement of experienced Japanese. He was promptly informed that the present condition of the federations results from mismanagement, corruption, and chicanery on the part of officials and not from the principal of separate federations. This is reported here because it represents a typical thought process when a failure occurs: "i.e."Who can we blame?"

Although some unit co-op officials indicate a hesitancy to vote for amalgamation of federations while the latter are in such poor financial condition, they generally agree that amalgamation is the solution to many of their own economic ills. Both co-ops visited on this trip were in sound financial condition.

For some unknown reason co-ops in Yamaguchi are pessimistic over the prospects of the new fertilizer distribution system whereas in all other prefectures co-ops are organizing their efforts with marked enthusiasm.

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1 - 2 August 1960, D G OBrien - [illegible] and Ianai Yamaguchi Prefecture.

This defeatism at unit level probably results from a complete lack of faith in the Purchase Federation to conduct any operation at a profit.

As in other areas, progress in the execution of written rental contracts is very slow. Both tenants and owners are reluctant to make committments on paper. The need for and the benefits of written contracts were explained to Local Land Commissions in an efforts to expedite the program. All land still under tenancy is supposed to be covered by a written contract by the end of this year. However, areas visited on this trip have completed only 4 to 10% which is a representative figure.

Mugi crop collections have slowed down in anticipation of a down revision of quotas. Officials in the areas visited report the rice crop as average or better to date. If no disease strikes it should be a good crop.

4. Conclusion:

Unit Co-ops are going to have to force federations into amalgamation. When they fully realize the financial burden they are carrying to support many federations they will probably take the necessary action.

With the year past the middle and less than 10% of rental land covered by contracts, the program will have to be pushed pretty hard if the goal of 100% coverage is to be reached by the end of the year.

At the present time, prospects for quota fulfillment in both rice and mugi looks good.

5. Recommendations: None

Douglas G. O'Brien

DOUGLAS G O'BRIEN, DAC
Natural Resources Division
Economics Section

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

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
APO 182

21 July 1950

SUBJECT: Report of Field Trip to Okayama and Hiroshima Prefectures 16-20 July

TO : Chief, Economics Section

1. Purpose: To evaluate progress in all Agriculture and Forestry programs at village level and to make specific recommendations to Co-operatives relative to economic recovery.

2. Background:

a. Co-operative Federation officials have consistently commented on the inadvisability of amalgamating federations at this time under the new co-op law. They have formed a "mutual protection society for superanuated officials".

b. The assets of the Nogyo Kai in Kamo village Okayama-ken have still not been liquidated. The town mayor in league with the officials of one co-op have fought a delaying action in order to deprive a newly established young co-op of its just share of the assets and thus starve them into returning to the mother co-op. Representatives of both factions have been in the office several times.

c. Because of the scarcity of contacts with prefectural and local land commission in recent weeks this branch suspected that they had ceased to function after completion of registration.

3. Discussion

Agricultural Cooperatives were visited at Fukuwatari, Kamo, and Numi in Okayama and at Tojo and Mukaihara in Hiroshima. The most significant finding is that unit Co-ops are very desirous of amalgamation of the prefectural federations and have taken specific action to force amalgamation. Unit co-op representatives in Okayama at a general meeting refused to approve the budgets of the federations until the latter submitted a plan for amalgamation. Unit co-ops at present are

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paying membership fees and buying stock under pressure in seven and eight different organizations some of which render little or no service to the Unit Co-op. The undersigned stressed the importance of Federation policy being established by member Co-ops and forced on the Federation in preference to policy being established by Federation officials and forced on the Unit Co-op. In those areas where unit co-ops were apathetic toward the dictatorship of Federations, local officials were encouraged to make their voice heard. Those getting a particularly raw deal were incited to everything short of riot.

The general financial picture looks even better this month, at least in Okayama and Hiroshima prefectures. Of four co-ops in one county which had stopped withdrawals 2 have recovered and the third will soon resume payments. Deposits are up even in the one-crop areas. It would be presumptuous to say that the crisis is over but conditions in general are definitely better.

Co-ops which were visited expect no competition from private distributors in the fertilizes business. They have surveyed the field and are quite sure of themselves. Although they believe that estimates of price increases in fertilizer are far in excess of the amount of increase which will actually occur, they believe that sales and use will drop off somewhat. Co-op officials were urged by the undersigned to profit from their earlier mistakes in purchasing commodities when they make fertilizer purchases.

A special trip was made to the village of Kamo to expedite the liquidation of the former Nogyo Kai which is one of two in that prefecture still not liquidated. The background of the case is summarized in paragraph 2 above. During a series of conferences with individuals concerned from both sides it was obvious that a small progressive group had revolted against the established feudal authority and were being made to pay through the nose for their impertinence by the village chief and the chief of the large Kamo Co-operative both of whom are against the formation of a second co-op and both of whom are giving the most fantastic excuses for not liquidating the old Nogyo Kai and giving the new co-op its share. At a general meeting the following morning the undersigned spoke to the entire group and expressed the following:

a. The law states that any 15 or more people may form an agricultural co-operative. If their right to form into a group is denied them by withholding certain assets from them then the spirit of the law is being violated.

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b. The dissolution of the Nogyo Kai and the liquidation of its assets is an integral part of the agricultural reform program of the Supreme Commander. The time required to liquidate this Nogyo Kai is far in excess of any reasonable delay and the excuses for delay are without foundation.

c. This might be interpreted as non-compliance with a Directive of the Supreme Commander to the Japanese Government.

d. A word to the wise is sufficient.

Conferences were held with several local land commissions to ascertain the extent of their activities, encourage written rental agreements, and evaluate progress in the land consolidation program. Although the land reform program is virtually completed, local land commissions continue to meet at least once a month to arbitrate disputes, approve land transfers, and plan consolidation. Small bits and pieces of land are reverting to former owners but this amount is negligible. In one village 14 applications were made for the transfer of land back to the original owner and only one approved. Over half of the villages visited had from 1 to 5 land transfer cases still pending in court.

Progress in the universal adoption of written rental agreements is extremely show. Some land commissions have forms in preparation and others have done nothing about it. The land reform program will only be solidified when land still under tenancy is covered by written contracts. Japanese in rural areas are reluctant to execute written rental contracts for some esoteric reason. The advantages of written contracts and the protection they accord the individuals concerned were explained in detail at each meeting. This matter will be made the subject of subsequent conferences with prefectural officials.

4. Conclusions:

a. Local co-ops are aware of the need for complete reform in the Federations to which they belong. However, drastic action will be necessary in order to unseat certain officials and make amalgamation a reality.

b. Interest and activity among local land commissions has not died out as suspected. They are continuing to operate as designed and have grown into an integral part of rural village life.

5. Recommendations: None

Douglas G. O'Brien
Natural Resources Div.
Economics Section

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

FIELD TRIP REPORTS
MR. G. M. MANLEY

	DATE	SUBJECT	ISSUING HEADQUARTERS & INDORSEMENT
1.	1 Mar 1951	Report of Field Trip to Yamaguchi Prefecture, 26 and 27 February 1951	CCAR/Econ

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

Nat. Res. Division
File No. D-12-Manley

ECONOMICS
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FILE 2

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D/GMM/mn

CCAR 319.1

1 March 1951

SUBJECT: Report of Field Trip to Yamaguchi Prefecture, 26 and 27 February 1951

TO : Chief
Economics Section

PREPARED BY: Mr. George M. Manley, Natural Resources Division

1. REFERENCE:

None.

2. PURPOSE:

Orientation trip to observe mining and geology phase of Natural Resources Division operations.

3. BACKGROUND:

None.

4. DISCUSSIONS:

Conferred with Mr. Akira Fujita, factory manager of Ube Ammonium Sulphate Factory, regarding marketing of ammonium sulphate. The Ube Factory is presently manufacturing approximately 16,000 metric tons of ammonium sulphate monthly and plans are to produce approximately 210,000 metric tons for this calendar year as against 180,000 tons total production last year.

Mr. Fujita states that roughly 60% of fertilizer sales of this factory are to the purchase federations and 40% to independent dealers.

5. CONCLUSIONS:

Since decontrol of fertilizer, no restriction is placed on amounts which can be sold to private dealers; it is possible that hoarding for speculation might exist. Otherwise, indications are that availability of ammonium sulphate to the farmer is no less than last year from output of this one large factory.

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6. RECOMMENDATIONS:

None.

George M. Manley

GEORGE M. MANLEY, DAC
Natural Resources Division
Economics Section

MEMORANDUM FOR: Record

No comment.

S. Tokuno

SHIRO TOKUNO, DAC, GS-12
Chief, Natural Resources Div.
Economics Section

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

FIELD TRIP REPORTS - Mr. Neis D-12

	DATE	SUBJECT	ISSUING HEADQUARTERS & INDORSEMENT
1.	28 April 1950	Field Trip Report to Yamaguchi Prefecture, 25 - 27 April 1950	CCAR/Econ, Mr. Neis
2.	16 June 1950	Field Trip Report - Shimonoseki City, Yamaguchi-ken	"
3.	17 July 1950	Field Trip Report - Okayama, Tottori, Shimane and Yamaguchi, 10 - 13 July 1950	"
4.	24 July 1950	Field Trip Report, Hiroshima Prefecture, 17 - 21 July 1950	"
5.	14 Aug 1950	Field Trip Report - Hamada and Hagi, 7 - 11 August 1950	"
6.	22 Aug 1950	Field Trip Report - Okayama-ken, 14 - 18 August 1950	"
7.	15 Sept 1950	Field Trip Report - Yamaguchi, Shimane, Tottori & Okayama, 11 - 14 September 1950	"
8.	19 Sept 1950	Field Trip Report - Hiroshima Prefecture, 1 and 2 September 1950	"
9.	20 Sept 1950	Field Trip Report - Tottori and Shimane Prefectures, 6 - 9 September 1950	"
10.	6 Oct 1950	Report of Field Trip, Yamaguchi Prefecture, 25 - 27 September 1950	"
11.	16 Oct 1950	Report of Field Trip, Okayama, Tottori, Shimane & Yamaguchi Prefs, 9 - 13 Oct 1950	
12.	19 Jan 1951	Report of Field Trip, Yamaguchi Prefecture, 8 - 12 January 1951	"
13.	23 Jan 1951	Report of Field Trip, Hiroshima Prefecture, 15 - 17 January 1951	"
14.	23 Jan 1951	Report of Field Trip, Hiroshima Prefectural Government, 19 January 1951	"
15.	29 Jan 1951	Report of Field Trip, Tottori Prefecture, 24 - 26 January 1951	"
16.	6 Feb. 1951	Report of Field Trip, Okayama Prefecture, 29 - 31 January 1951	"

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

	DATE	SUBJECT	ISSUING HEADQUARTERS & INDORSEMENT
17.	19 Feb 1951	Report of Field Trip, Yamaguchi and Hiroshima Prefectures, 6 - 10 February 1951	CCAR/Econ, Mr. Neis
18.	6 Mar 1951	Report of Field Trip, Tottori and Shimane Prefectures, 20 - 23 February 1951	"
19.	7 Mar 1951	Report of Field Trip, Yamaguchi, Shimane, Tottori & Okayama Prefs, 26 Feb - 2 Mar 1951	"
20.	12 Mar 1951	Report of Field Trip, Hiroshima Prefecture, 8 and 10 March 1951	"
21.	23 Mar 1951	Report of Field Trip, Yamaguchi Prefecture, 13 - 16 March 1951	"
22.	21 Apr 1951	Report of Field Trip, Hiroshima and Yamaguchi Prefs, 16 - 20 April 1951	"
23.	1 May 1951	Report of Field Trip, Okayama, Tottori, Shimane, Yamaguchi and Hiroshima Prefectures, 23 - 30 April 1951	"
24.	6 Mar 1951	Report of Field Trip, Okayama, Tottori, Shimane and Yamaguchi Prefectures, 12 - 16 Feb 1951	"

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

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Nat. Res. Division
File No. D-12-Neis

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D/RAN/mh

CCAR 319.1

6 March 1951

SUBJECT: Report of Field Trip, Okayama, Tottori, Shimane and Yamaguchi Prefectures, 12 - 16 February 1951

TO : Chief
Economics Section

PREPARED BY: Richard A. Neis, Natural Resources Division

1. REFERENCE:

Operational Directive Number 13, Civil Affairs Section, GHQ, SCAP, subject: "Fisheries", dated 12 April 1950.

2. PURPOSE:

To conduct routine surveillance of fisheries programs.

3. BACKGROUND:

None.

4. DISCUSSIONS:

a. The following installations were visited:

(1) Okita Fishermen's Cooperative Association, Okita-son, Okayama Prefecture.

(2) Hachihama Fishermen's Cooperative Association, Hachihama-son, Okayama Prefecture.

(3) Fukube Fishermen's Cooperative Association, Fukube-son, Tottori Prefecture.

(4) Karo Fishermen's Cooperative Association, Karo-cho, Tottori Prefecture.

(5) Nonami Fishermen's Cooperative Association, Nonami-mura, Shimane Prefecture.

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(6) Iya Fishermen's Cooperative Association, Iya-cho, Shimane Prefecture.

(7) Yamaguchi Prefectural Government, Yamaguchi City.

(8) Ajisu Fishermen's Cooperative Association, Ajisu-cho, Yamaguchi Prefecture.

b. All cooperatives visited have insufficient capital stock. The Fukube Cooperative has increased their capital stock from ¥67,500 to ¥290,500 which is outstanding when considering its' size however, even this amount is insufficient. Only three cooperatives are conducting savings programs. Other cooperatives stressed the need for savings but feel it is impossible to start a program at this time because of the tight financial condition of fishermen. Three of the seven cooperatives are financially in the red. The Karo Cooperative made substantial profits during 1950. They covered a loss of ¥38,145 for 1949 and came out with over ¥9,000 profit for 1950.

c. It was noted at the Ajisu Cooperative that four full-time fishermen have had their boats and fishing gear attached by the tax office for non-payment of 1948 and 1949 taxes. These will be sold at public auction very soon leaving the four fishermen without any means of making a living.

d. Complaints were registered by the Hachihama Cooperative of illegal trawling and other illegal types of fisheries in Kojima Bay. Petitions have been forwarded to the Kojima Bay Sea Area Adjustment Committee and Okayama Prefectural Government by the cooperative.

e. The Karo Cooperative wants to construct an ice-plant with a capacity of 10 tons per day at a cost of ¥10,000,000 however, they are unable to obtain loans to start the project. Numerous requests were made for long term low interest loans for other facilities such as ports, new types of fisheries, fish conservation measures and for operational funds for fishermen.

f. Although cooperative directors hold an average of one to two meetings a month, in most cases, no minutes are kept. Results of director's meetings are passed on to fishermen by word of mouth of fishermen's representatives who may attend the meeting. Some cooperatives do not even keep records of policy changes agreed upon at these meetings.

g. The compensation problem for damage to fish production by water pollution has been amicably settled by factories and fishermen concerned in Ube City and Bofu City of Yamaguchi Prefecture. Fishermen of Ube received ¥1,200,000 and fishermen of Bofu received ¥2,000,000. The compensation problem at Iwakuni City, Yamaguchi Prefecture has been partially settled. Fishermen of Iwakuni City Cooperative received ¥2,400,000

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

however, 5 other cooperatives are involved which have not received any consideration as yet. Negotiations on compensation are continuing at Yanai-cho and Hagi City, Yamaguchi Prefecture. The Yamaguchi Prefectural Government is taking an active interest in the compensation problem by acting as mediator in negotiations between factories and fishermen.

5. CONCLUSIONS:

a. Cooperative officials realize the necessity of increasing capital stock and starting savings programs however, in most cases, little effort on these programs is being expended.

b. Members of cooperatives are not being properly informed of activities of their cooperative and as a result, membership interest is very low.

c. The compensation problem for damage to fish production by water pollution has been settled at Ube City and Bofu City and partially settled at Iwakuni City, Yamaguchi Prefecture. Negotiations are continuing in other areas. Much of this was due to the active interest given by the Yamaguchi Prefectural Government Fisheries Department in acting as mediator in negotiations between factories and fishermen.

6. RECOMMENDATIONS:

None.

Richard A. Neis

RICHARD A. NEIS, DAC
Fisheries Branch
Natural Resources Division

MEMORANDUM FOR: Record

No comment.

S. Tokuno

SHIRO TOKUNO, DAC, GS-12
Chief, Natural Resources Division
Economics Section

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

Nat. Res. Division
File No. D-12-Neis

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D/RAN/mn

CCAR 319.1

1 May 1951

SUBJECT: Report of Field Trip, Okayama, Tottori, Shimane, Yamaguchi and Hiroshima Prefectures, 23 - 30 April 1951

TO : Chief
Economics Section

PREPARED BY: Mr. Richard A. Neis, Natural Resources Division

1. REFERENCE:

a. Operational Directive Number 13, Civil Affairs Section, GHQ, SCAP, subject: "Fisheries", dated 12 April 1950.

b. Operational Directive Number 17, Civil Affairs Section, GHQ, SCAP, subject: "Economics", dated 1 March 1951.

2. PURPOSE:

To confer with prefectural fisheries officials and Fishermen's Cooperative Association Federation officials on the progress and problems encountered in fisheries programs.

3. BACKGROUND:

None.

4. DISCUSSIONS:

a. Conferences were conducted with prefectural fisheries officials of Okayama, Tottori, Shimane, Yamaguchi and Hiroshima Prefectures, the Fishermen's Cooperative Association Federations in Okayama, Tottori and Shimane and Yamaguchi prefectural officials were accompanied on an inspection of the Kagawa Fishermen's Cooperative Association.

b. Prefectural Governments are encouraging the amalgamation of Fishermen's Cooperative Associations wherever practicable. Three cases of successful amalgamation were reported in Shimane Prefecture to date. Three non-stock district Fishermen's Cooperative Association Federations (for river cooperatives) have been organized recently in Okayama for the

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primary purpose of accepting and administering new fishery rights. Two more such federations are expected to be set up in the near future plus one more coastal cooperative federation (capital stock) in the Kojima area with similar perspectives.

c. The Shimane Prefecture Fishermen's Cooperative Association Federation is showing excellent progress. After earning a fair size profit since commencement of marketing operations in September 1950, it plans to enlarge services for its' members especially information and education activities during 1951.

d. Liquidation of old fishing associations is progressing very well in all prefectures except Hiroshima which is extremely tardy comparatively speaking. To date, it has reached only 69% of completion.

e. The Yamaguchi Prefectural Government plans to set up ten model Fishermen's Cooperative Associations throughout the prefecture in the near future in order to give guidance to other cooperatives in cooperative management and other activities.

f. The fisheries reform is approximately two months behind the revised schedule in all prefectures except Hiroshima. New fishing grounds plans will not be publicized in these prefectures until June 1951, Hiroshima expects to publicize theirs on or about 15 May 1951. According to concerned officials, this will not affect the first switch-over from old to new fishery rights scheduled for August 1951.

g. Iwakuni Air Base has placed additional restrictions on fishermen in that area presumeably for security purposes. This will undoubtedly result in an application for compensation due to loss in production.

h. Compensation for fishermen of Kojima Bay in Okayama Prefecture that will lose their fishing grounds to the Government sponsored fresh water project has finally been agreed upon by all parties concerned. Total compensation to be paid to the 3,500 affected fishermen (700 full-time) is ¥58,500,000. The original estimate made by the Okayama Land Office was ¥35,000,000. Affected fishermen have also been assured of first priority in the purchase of agricultural land which will be put into production as a result of the project.

5. CONCLUSIONS:

a. Prefectural Governments are encouraging amalgamation of Fishermen's Cooperative Associations wherever practicable.

b. Liquidation of old fishing associations is progressing very well in all prefectures except Hiroshima which shows only 69% completion.

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

c. Yamaguchi Prefecture will set up ten model cooperatives in the near future as part of their educational program.

d. The fisheries reform program is approximately two months behind schedule in all prefectures except Hiroshima.

e. Iwakuni Air Base has placed additional restrictions on fishermen in that area presumeably for security purposes.

f. Compensation for fishermen of Kojima Bay, Okayama Prefecture has been agreed upon by all parties concerned. Total compensation to be paid by the Government is ¥58,500,000.

6. RECOMMENDATIONS:

None.

Richard A. Neis

RICHARD A. NEIS, DAC
Chief, Fisheries Branch
Natural Resources Division

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 77 5013

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FIELD TRIP REPORT

File Index No. 22

(1) NAME **Richard A. Neis** (2) SECTION **Economics (NR Div.)** (3) MODE OF TRAVEL **Boat (Shenango)**

(4) DEPARTURE DATE **16 April 1951** TIME **1200 hrs** (5) RETURN DATE **20 April 1951** TIME **1700 hours**

(6) CONFERENCES, MEETINGS, INSPECTIONS:

	Location	Date	Time	Participants	Purpose
a.	Osaki-Minami-son, Hiroshima Pref.	16 Apr.	1400	Fisheries Coop. Officials.	To accompany Prefectural Officials.
b.	Toyohama-son Hiroshima Pref.	17 Apr	0900	"	"
c.	Shimo-Kamagari-son, Hiroshima Pref.	17 Apr	1300	"	"
d.	Kuka-cho Yamaguchi Pref.	19 Apr	1300	"	"
e.	Hirai-son, Yamaguchi Pref.	20 Apr	0900	"	"
f.					

(7) REMARKS: **All conferences were attended as scheduled. Following is a brief summary of observations:**

a. Very little variation from past reports was found in the economic condition of Fishermen's Cooperative Associations visited.

b. Illegal fishing, including both TNT and illegal drag nets, continues to be a major problem to the fishing industry of the Seto Inland Sea.

c. The majority ruling by part-time farmer-fishermen in decisions on the fisheries reform program in the Seto Inland Sea promises to be a major problem in the near future according to cooperative officials.

(Instructions on reverse side)

Richard A. Neis
Signature

(back)

INSTRUCTIONS

1. Personnel going on field trips will complete Sections (1) through (6), inclusive, of this form, in triplicate. The original will be forwarded to the Deputy Chief, 24 hours before departure.

2. Upon return from field trip, Section (7), of duplicate copy will be completed and forwarded to Deputy Chief. Section (7) should include: estimate of success of meeting, conference or inspection, any changes from original schedule and reason thereof, any further remarks person preparing report desires to include.

3. Third copy will be retained in the Section for file.

(7) REMARKS:

d. Almost complete ignorance of recent important amendments to the Fishermen's Cooperative Association law even though meetings were conducted by the Prefectural Government is indicative that stronger information programs are necessary.

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

Nat. Re Division
File No. S-6-9

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D/RAN/mn

CCAR 319.1

21 April 1951

SUBJECT: Report of Field Trip, Hiroshima and Yamaguchi Prefectures, 16 - 20 April 1951

TO : Chief
Economics Section

PREPARED BY: Richard A. Neis, Natural Resources Division

1. REFERENCE:

a. Operational Directive Number 13, Civil Arfairs Section, GHQ, SCAP, subject: "Fisheries", dated 12 April 1950.

b. Operational Directive Number 17, Civil Affairs Section, GHQ, SCAP, subject: "Economics", dated 1 March 1951.

2. PURPOSE:

To accompany prefectural fisheries officials on inspections of Fishermen's Cooperative Associations and to observe conditions and trends in fisheries.

3. BACKGROUND:

None.

4. DISCUSSIONS:

a. The following Fishermen's Cooperative Associations were visited with respective prefectural officials:

(1) Osaki-Minami Fishermen's Cooperative Association, Osaki-Minami-son, Hiroshima Pref.

(2) Osaki-Shimojima Fishermen's Cooperative Association, Toyohama-son, Hiroshima Pref.

(3) Shimo-Kamagari Fishermen's Cooperative Association, Shimo-Kamagari-son, Hiroshima Prefecture.

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

(4) Kuka Fishermen's Cooperative Association, Kuka-cho, Yamaguchi Prefecture.

(5) Hirai Fishermen's Cooperative Association, Hirai-son, Yamaguchi Prefecture.

b. Very little variation from past reports was found in the economic condition of cooperatives visited. The Hirai Fishermen's Cooperative Association is the only one not conducting a savings program. The Kuka Fishermen's Cooperative Association has attained 70% membership participation in their savings program. In all towns and villages visited, fisheries represents a minor portion of the economic structure. Approximately 25 - 35% of all Fishermen's Cooperative Association members are part-time farmers many of which also belong to Agricultural Cooperatives.

c. Illegal fishing was one of the major problems voiced in all areas. This includes both TNT and illegal drag nets. Local National Rural Police are cooperating with Maritime Bureau officials to control this problem but as usual, are handicapped by the lack of necessary patrol boats and funds.

d. The majority ruling by part-time farmer-fishermen in decisions on the fisheries reform program in the Seto Inland Sea promises to be a major problem in the near future according to cooperative officials. Cooperative officials in Yamaguchi Prefecture also feel that the prefectural and national governments are dictating too many policies in making new fishing ground plans.

e. Cooperative officials and fishermen visited in Yamaguchi Prefecture appear to be ignorant of amendments to the Fishermen's Cooperative Association law regarding the establishment of Mutual Relief Corporations and financial standards provisions even though meetings on these subjects were conducted by the Prefectural Government in the latter part of February 1951. These two amendments were promulgated by the Diet on 18 December 1950 and 7 March 1951 respectively.

5. CONCLUSIONS:

a. Very little variation from past reports was found in the economic condition of Fishermen's Cooperative Associations visited.

b. Illegal fishing, including both TNT and illegal drag nets, continues to be a major problem to the fishing

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

industry of the Seto Inland Sea.

c. The majority ruling by part-time farmer-fishermen in decisions on the fisheries reform program in the Seto Inland Sea promises to be a major problem in the near future according to cooperative officials.

d. Almost complete ignorance of recent important amendments to the Fishermen's Cooperative Association law even though meetings were conducted by the Prefectural Government is indicative that stronger information programs are necessary.

6. RECOMMENDATIONS:

None.

Richard A. Neis

RICHARD A. NEIS, DAC
Chief, Fisheries Branch
Natural Resources Division

MEMORANDUM FOR: Record

1. Mr. Tokuno Accompanied Mr. Neis on the field trip covered in the above report. Additional information worthy of recording are included in the following paragraphs.

2. Local fisheries leaders are desirous of obtaining fisheries guidance or extension agents similar to those employed in the fields of agriculture and forestry.

3. Fishermen's cooperative officials feel that their coops should be exempt from the Enterprise tax, the same as Agricultural Coops.

4. Prefectural officials are encouraging fishermen's fire insurance. Fishermen feel that the government is to blame in part for the slow progress shown in the fishing boat insurance program as insurance monies have not been received even though premiums were paid in full.

S. Tokuno

S. TOKUNO, DAC
Chief, Natural Resources Division

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

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Nat. Res. Division
File No. D-12-Neis

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D/RAN/mn

CCAR 319.1

23 March 1951

SUBJECT: Report of Field Trip, Yamaguchi Prefecture, 13 - 16 March 1951

TO : Chief
Economics Section

PREPARED BY: Richard A. Neis, Natural Resources Division

1. REFERENCE:

a. Operational Directive Number 13, Civil Affairs Section, GHQ, SCAP, subject: "Fisheries", dated 12 April 1950.

b. Operational Directive Number 17, Civil Affairs Section, GHQ, SCAP, subject: "Economics", dated 1 March 1951.

2. PURPOSE:

To accompany Yamaguchi Prefectural fisheries officials on inspections of Fishermen's Cooperative Associations and observe conditions and trends.

3. BACKGROUND:

None.

4. DISCUSSIONS:

a. Yamaguchi Prefectural fisheries officials were accompanied to the following Fishermen's Cooperative Associations:

(1) Ihonosho Fishermen's Cooperative Association, Ihonosho-son, Yamaguchi Prefecture.

(2) Saga Fishermen's Cooperative Association, Saga-son, Yamaguchi Prefecture.

(3) Sone Fishermen's Cooperative Association, Sone--son, Yamaguchi Prefecture.

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(4) Azuki Fishermen's Cooperative Association, Azuki-son, Yamaguchi Prefecture.

(5) Azuki-Nanbu, Azuki-son, Yamaguchi Prefecture.

(6) Murotsu Fishermen's Cooperative Association, Murotsu-son, Yamaguchi Prefecture.

b. The Ihonosho and Azuki-Nanbu Fishermen's Cooperative Associations are planning on amalgamating with the Azuki Cooperative in the very near future. General meetings on this move have already been conducted at the Azuki and Azuki-Nanbu Cooperatives. It may be difficult to include the Ihonosho Cooperative in the amalgamation because of geographic location.

c. The Murotsu Cooperative was the only one found to have sufficient capital stock. None are conducting credit or savings functions however, the Saga Cooperative intends to start a savings program this year. Membership interest in cooperative activities appears to be fairly good in this area with attendance at cooperative general meetings in 1950 ranging from 60 to 90%.

d. Dissatisfaction was voiced by all cooperatives visited regarding the sea-area bondary established under the new Fisheries Law (Law No.267 for 1949) in that in conflicts with the administrative "gun" (county) boundary lines. This problem is of little significance since the sea-area boundaries were not intended to conform with "gun" boundaries. Administrative problems brought up can be solved locally by prefectural officials.

5. CONCLUSIONS:

a. The necessity of forming larger economic units has been realized by the Ihonosho, Azuki and Azuki-Nanbu Fishermen's Cooperative Associations. These three cooperatives have already started amalgamation proceedings.

b. Membership interest in cooperatives appears to be fairly good in this area with attendance at cooperative general meetings in 1950 ranging from 60 to 90%.

6. RECOMMENDATIONS:

None.

Richard A. Neis

RICHARD A. NEIS, DAC
Fisheries Branch
Natural Resources Div.

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

MEMORANDUM FOR: Record

No comment.

S. Tokuno

SHIRO TOKUNO, DAC, GS-12
Chief, Natural Resources Div.
Economics Section

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

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

Nat. Res. Division
D/RAN/mk
File No. D-12-Neis
12 March 1951

CCAR 319.1

SUBJECT: Report of Field Trip, Hiroshima Prefecture, 8 and 10 March 1951.

TO : Chief
Economics Section

PREPARED BY: Richard A. Neis, Natural Resources Division

1. REFERENCE:

a. Operational Directive Number 13, Civil Affairs Section, GHQ, SCAP, subject: "Fisheries", dated 12 April 1951.

b. Operational Directive Number 17, Civil Affairs Section, GHQ, SCAP, subject: "Economics", dated 1 March 1951.

2. PURPOSE:

To accompany Hiroshima Prefectural fisheries officials on inspections of FCAs.

3. BACKGROUND:

None.

4. DISCUSSIONS:

a. Hiroshima Prefectural fisheries officials were accompanied on inspection of the Hiroshima City FCA and the Hiroshima-ken FCA Federation both of which are located in Hiroshima City.

b. The Hiroshima City FCA is a rather large coop. with 1,060 members. One-third of the membership are engaged in oyster culture. The coop. conducts all types of business activities such as credit, savings, marketing of fish and handling of materials. Their Capital Stock is considered

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

sufficient but could be increased. A long discussion between the prefectural representative and the coop. officials was held on the shortcomings of the new Fisheries Law (Law #267 for 1949) regarding the method of distributing demarcated fishery rights under the reform provisions of the law. This discussion boiled down to the fact that oyster culturers (who appear to be doing very well) are afraid of losing some of their rights to current part-time fishermen.

c. The Hiroshima-ken FCA Federation is handicapped by the fact that another prefectural federation exists giving it much competition. This federation has only 50 members (coops) and has an extremely small capital investment of ¥250,000. Their main business activity at present is handling a few materials however, ground-work is being laid to handle all material required by its members. A loan is currently being negotiated with the Central Bank for Agriculture and Forestry for operational funds. The managing director of the federation is of the opinion that too many "bosses" still exist in the coops. due to the lack of membership interest. He also suggested that the law be amended so that a national federation can be formed for the purpose of purchasing material on a larger scale at cheaper prices.

5. CONSLUSIONS:

a. At the Hiroshima City FCA, a long discussion was held with the prefectural representative on the shortcomings of the new Fisheries Law (Law #267 for 1949) regarding the method of distributing demarcated fishery rights however, it all dwindled down to the fact that oyster culturers (who appear to be doing very well) are afraid of losing some of their rights to current part-time fishermen.

b. The managing director of the Hiroshima-ken FCA Federation is of the opinion that too many "bosses" still exist in the coops. due to the lack of membership interest. He also suggested that the coop. law (Law #242 for 1948) be amended so that a national federation can be formed for the purpose of purchasing material on a larger scale at cheaper prices.

6. RECOMMENDATIONS:

None.

Richard A. Neis

RICHARD A. NEIS, DAC
Fisheries Branch
Natural Resources Division

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

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Nat. Res. Division
File No. D-12-Neis

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

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CCAR 319.1

7 March 1951

SUBJECT: Report of Field Trip, Yamaguchi, Shimane, Tottori and Okayama Prefectures, 26 February - 2 March 1951

TO : Chief
Economics Section

PREPARED BY: Richard A. Neis, Natural Resources Division

1. REFERENCE:

Operational Directive Number 13, Civil Affairs Section, GHQ, SCAP, subject: "Fisheries", dated 12 April 1950.

2. PURPOSE:

To confer with prefectural government officials and Fishermen's Cooperative Association federation officials on the progress of fisheries programs.

3. BACKGROUND:

None.

4. DISCUSSIONS:

a. Conferences were held with prefectural fisheries officials at Yamaguchi, Shimane, Tottori and Okayama and visits were made to prefectural Fishermen's Cooperative Association federations in Shimane, Tottori and Okayama Prefectures.

b. Approvals for liquidation proceedings are progressing satisfactorily in all prefectures visited. Yamaguchi is 88%, Shimane is 71% Tottori is 75% and Okayama is 90% completed. Much progress was noted in Shimane and Okayama Prefectures.

c. In the opinion of most prefectural officials and Fishermen's Cooperative Association federation officials, application of a financial standards ordinance to fishery cooperatives would be virtually impossible at this time because of the current financial crisis of fishermen. However, they do feel that such a move is necessary to make for strong eco-

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nomic units.

d. The Shimane Prefecture Credit Federation of Fishermen's Cooperative Associations started a savings program on 1 February 1951 for cooperatives in that prefecture with an eventual goal of ¥100,000,000. An interim goal of ¥20,000,000 by 1 July 1951 has been set. Yamaguchi Prefectural Government with the assistance of the prefectural business and credit federations, conducted educational meetings on cooperative management in each county of the prefecture from 22 through 28 February 1951. Similar meetings on cooperative bookkeeping are being sponsored by the Shimane Prefectural Government with the assistance of the prefectural business and credit federations in each sea-area during February and March 1951.

e. Okayama Prefectural Government reported that completion of the fishing grounds plan by 31 March 1951 (Fisheries Agency schedule) would be impossible if proper consideration is to be given to fishermen. The earliest possible date for completion in Okayama was given as 15 June 1951. Reason given for this is that fishermen are just now beginning to understand the reform. No such difficulties were noted in other prefectures and progress is considered normal.

f. A meeting of the Okayama Prefecture United Sea Area Adjustment Committee was observed by the undersigned. All members of the committee took active part in discussions however, prefectural government participation in the meeting was viewed as being excessive.

g. Representatives of Prefectural Purse Seine Operators' Associations and prefectural governments of Tottori, Shimane, Yamaguchi, Saga, Fukuoka and Nagasaki prefectures held a discussion meeting on 23 February 1951 at Shimonoseki for the purpose of establishing a single sea area for off-shore purse seine operators of all prefectures represented in order to eliminate the red tape involved in obtaining permission from each prefecture to enter their waters and follow the fish runs. Under the new system, authority would be granted to the Minister of Agriculture and Forestry to issue permits on a priority basis. Tottori and Shimane prefectures did not agree because they are afraid that limitations established would not be enforced resulting in damage to coastal fisheries. Some quarters feel that decision should be left in the hands of local sea area adjustment committees. The chief of the Fisheries Department, Yamaguchi Prefecture opined that a line of demarcation between coastal and off-shore fisheries be established and a representative committee of off-shore fishermen be organized to negotiate with coastal sea area adjustment committees on such problems. This would eliminate authority of coastal sea area adjustment committees in matters pertaining to off-shore fisheries and would provide an equal basis for discussion. To date, no limits have been set on the distance to sea to which local adjustment committees have jurisdiction.

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h. Numerous views were obtained on the proposed compulsory insurance for fishing boats of less than 20 tons. All prefectures except Shimane are in favor of compulsory insurance with various stipulations. All prefectures feel that the law should be completely remodeled prior to enforcement of compulsory insurance. The Fisheries Department Chief of Shimane Prefecture claims that if premium rates were reduced from 30% to 50%, three times the present number of boats insured would purchase insurance and thereby justify the reduction in rates.

i. The Yamaguchi Prefectural Government reported that 37 western trawlers operating within the MacArthur line have been confiscated by either Chinese or Koreans since August 1950. According to the Yamaguchi Prefectural Fisheries Department, this has resulted in a number of boats remaining in port causing financial difficulties and general unrest amongst the fishermen. A letter was forwarded by the prefectural government to the Fisheries agency on 19 January 1951 requesting assistance.

5. CONCLUSIONS:

a. Approvals for the transfer of assets from old fishing associations to the new cooperatives is progressing satisfactorily in all prefectures visited.

b. In the opinion of most prefectural officials and Fishermen's Cooperative Association federation officials, application of a financial standards ordinance to fishery cooperatives would be virtually impossible at this time.

c. Prefectural Governments and federations are actively engaged in educating cooperative officials and employees on cooperative management and bookkeeping.

d. The fishing grounds planning phase of the fisheries rights reform will probably lag behind schedule in Okayama Prefecture.

e. Three out of four prefectures visited favor compulsory insurance on fishing boats of less than 20 tons.

6. RECOMMENDATIONS:

a. Recommend that items mentioned in paragraphs 4c, d, e, f, g and h be brought to the attention of Civil Affairs Section, GHQ, SCAP by including in the monthly activities report for February 1951.

b. Recommend that more sea area adjustment committee meetings be observed in Okayama and other prefectures to ascertain the extent to which prefectural governments are controlling the fisheries rights reform program.

Richard A. Neis

RICHARD A. NEIS, DAC
Fisheries Branch
Natural Resources Division

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Nat. Res. Division
File No. D-12-Neis

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D/RAN/mn

CCAR 319.1

6 March 1951

SUBJECT: Report of Field Trip, Tottori and Shimane Prefectures, 20 - 23 February 1951

TO : Chief
Economics Section

PREPARED BY: Richard A. Neis, Natural Resources Division

1. REFERENCE:

Operational Directive Number 13, Civil Affairs Section, GHQ, SCAP, subject: "Fisheries", dated 12 April 1950.

2. PURPOSE:

To make routine visits to Fishermen's Cooperative Associations to ascertain progress of fisheries programs.

3. BACKGROUND:

None.

4. DISCUSSIONS:

a. The following Fishermen's Cooperative Associations were visited:

(1) Yonago City Fishermen's Cooperative Association, Yonago City, Tottori Prefecture.

(2) Hakusai Fishermen's Cooperative Association, Yonago City, Tottori Prefecture.

(3) Kasaura Fishermen's Cooperative Association, Chikumi-mura, Shimane Prefecture.

(4) Kaka Fishermen's Cooperative Association, Kaga-mura, Shimane Prefecture.

b. The Yonago City Cooperative and the Kaka Cooperative were

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financially in the red ¥53,000 and ¥95,000 respectively at the end of their fiscal year, 31 December 1950. Other cooperatives are barely balancing their books. Capital investments are only 50% paid at the Hakusai and Kaka Cooperatives. The Yonago City Cooperative plans on doubling their capital stock if the spring fish catch is good. The Kaka Cooperative is the only one with a savings program. The Hakusai Cooperative plans on starting a savings program after obtaining the opinion of members at the general meeting scheduled for April 1951.

c. For 1950, the Kasaura Cooperative reported a 50% decrease in fish catch over 1949 due to oil shortages. Complaints were not made regarding the shortage of allocated oil but the shortage of black-market oil. Reported oil shortage at other cooperatives visited range from 10% to 50%.

d. The following data obtained at the Kaka Cooperative shows producer price trends for fish during the period of 1947 - 1950 in the eastern area of Shimane Prefecture:

Year	Production	Total Value	Average Price Per Kan
1947	45,601 Kan	¥ 1,555,867	¥ 34.12
1948	110,187 Kan	¥ 9,215,664	¥ 83.63
1949	157,478 Kan	¥15,391,648	¥ 97.74
1950	49,798 Kan	¥ 5,861,619	¥117.71

As can be seen, the price trend per Kan is upward. This does not necessarily mean an increase in income since operation costs have spiraled since late 1949.

e. Fishermen of the Hakusai, Kasaura and Kaka Cooperatives have completed their fishing grounds plan and have forwarded same to their respective sea-area adjustment committee. Members of the Yonago City Cooperative expect to complete their plan by 28 February 1951.

5. CONCLUSIONS:

a. Although there has been an upward trend in producer price for fish since 1947, income of fishermen has not increased since operational expenses have spiraled also.

b. The fisheries reform program is progressing satisfactorily.

c. Continued reports of difficulty in obtaining black-market fuel oil indicates that control agencies have tightened their controls and more oil is being channeled through official outlets.

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6. RECOMMENDATIONS:

None.

Richard A. Neis

RICHARD A. NEIS, DAC
Fisheries Branch
Natural Resources Division

MEMORANDUM FOR: Record

No comment.

S. Tokuno

SHIRO TOKUNO, DAC, GS-12
Chief, Natural Resources Div.
Economics Section

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D/RAN/mn

19 February 1951

CCAR 319.1

SUBJECT: Report of Field Trip, Yamaguchi and Hiroshima Prefectures, 6 - 10 February 1951

TO : Chief
Economics Section

PREPARED BY: Richard A. Neis, Natural Resources Division

1. REFERENCE:

Operational Directive Number 13, Civil Affairs Section, GHQ, SCAP, subject: "Fisheries", dated 12 April 1950.

2. PURPOSE:

To make routine inspections of Fishermen's Cooperative Associations and attempt to ascertain the affect of water pollution on aquatic production in the Iwakuni City area.

3. BACKGROUND:

Information received at Yamaguchi Prefectural Government concerning water pollution in the Iwakuni City area.

4. DISCUSSIONS:

a. The following Fishermen's Cooperative Associations were visited:

(1) Tsuzu Fishermen's Cooperative Association, Tsuzu-son, Yamaguchi Prefecture.

(2) Waki Fishermen's Cooperative Association, Waki-son, Yamaguchi Prefecture.

(3) Fukuyama Fishermen's Cooperative Association, Fukuyama City, Hiroshima Prefecture.

(4) Chitose-chuo Fishermen's Cooperative Association, Chitose-mura, Hiroshima Prefecture.

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(5) Chitose Fishermen's Cooperative Association, Chitose-mura, Hiroshima Prefecture.

(6) Hikino Fishermen's Cooperative Association, Hikino-mura, Hiroshima Prefecture.

b. Three of the six cooperatives visited, are operating in the red to varying degrees. The Chitose-chuo and Hikino Cooperatives gave indications of efficient management with fair profits even though they are small and control very little business. Capital stock is too little at all the cooperatives. Three of the cooperatives have savings programs but are of little significance. Two of the three with savings programs, are extending credit to members for operational funds and are having difficulty in collecting repayments. Five of the cooperatives depend on membership fees to defray part of their overhead expenses.

c. Some improvements were noted; the Tsuzu Cooperative plans to start cooperative marketing of fish for its' members and increase capital stock, the Fukuyama Cooperative has already increased their members income through cooperative marketing of oysters and intend to further increase income by constructing a market in Fukuyama City with financial assistance of the City Office and the two cooperatives of Chitose-mura are contemplating amalgamation because of economical conditions. In general, the need for effective planning to improve economic conditions of fishermen is finally being recognized by cooperative officials.

d. The fisheries reform program is progressing according to schedule. Of the six cooperatives visited, five have completed and forwarded their fishing grounds plan to respective sea-area adjustment committees. The~~se~~ one not completed, ~~were~~ was certain it would be completed by the target date of 28 February 1951. Information material published by the Fisheries Agency on fishing grounds planning, is not being received by the cooperatives visited in Hiroshima Prefecture.

e. Information obtained at the Tsuzu Cooperative regarding water pollution from factories of Iwakuni was threadbare. No actual production records were available to show any loss in production. According to fishermen, natural clam production has become virtually extinct. This represents an estimated 70% of total production. The Tsuzu Cooperative along with other affected cooperatives are asking ¥3,500,000 compensation from the three factories. The Iwakuni City cooperative has received ¥2,400,000 on 29 December 1950 as compensation at the rate of ¥5,000 per member.

f. Production of laver seaweed has decreased approximately 50% at the Waki Cooperative since 1948 when the Nippon Paper Company started manufacturing pulp. Up to 1948, operations of the paper company were confined to paper making only. On 15 March 1950, the factory gave members of the Waki Cooperative ¥250,000 compensation for loss sustained during 1949. However, the factory wants additional proof that the chlorine,

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bichloride of mercury, caustic soda and formalin discharged into the Oze River is harmful to aquatic plant life prior to giving any more compensation.

5. CONCLUSIONS:

a. Three of the six cooperatives visited, are operating in the red to varying degrees however, in general, the need for effective long range planning to improve economic conditions of fishermen is finally being recognized by cooperative officials.

b. The fisheries reform program is progressing according to schedule. Five of the six cooperatives have completed their fishing grounds planning.

c. No accurate information regarding loss in production from water pollution from the three factories of Iwakuni City could be obtained. In fact, no actual production records exist at the Tsuzu Cooperative.

d. Laver seaweed production has decreased 50% since 1948 at the Waki Cooperative due to the discharge of chlorine, bichloride of mercury, caustic soda and formalin from the Nippon Paper Company.

6. RECOMMENDATIONS:

None.

Richard A. Neis
RICHARD A. NEIS, DAC
Mining and Fisheries Branch
Natural Resources Division

MEMORANDUM FOR: Record

No comment.

S. Tokuno
SHIRO TOKUNO, DAC, GS-12
Chief, Natural Resources Div.
Economics Section

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

Nat. Res. Division
File No. D-12 Neis

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D/RAN/mn

CCAR 319.1

6 February 1951

SUBJECT: Report of Field Trip, Okayama Prefecture, 29 - 31 January 1951

TO : Chief
Economics Section

PREPARED BY: Mr. Richard A. Neis, Natural Resources Division

1. REFERENCE:

Operational Directive Number 13, Civil Affairs Section, GHQ, SCAP, subject: "Fisheries", dated 12 April 1950.

2. PURPOSE:

To confer with fisheries officials of Okayama Prefectural Government on general progress of fisheries programs, visit the Okayama Prefecture general purpose fishermen's cooperative association federation and make routine inspections of two local cooperatives located in Nadasaki-cho and Kojo-son.

3. BACKGROUND:

None.

4. DISCUSSIONS:

a. Liquidation of old fishing associations in Okayama Prefecture has made much progress over last month. Transfers approved up to 29 January 1951 are 51 out of 68 or 75% completed. The only three of the old associations which did not possess fishing rights have been completely liquidated and registered. Okayama prefectural officials complained of a handicap arising from the fact that in many old associations, all of their members were not eligible for membership in the cooperatives. Those not eligible for membership in the new cooperatives refuse to accept their share of the old association assets at the old book value. This situation then requires a re-evaluation of assets to current price levels necessitating borrowing of money (which is virtually impossible) to refund assets to non-members of cooperatives. Approximately 10 such cases exist in Okayama Prefecture.

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b. Although approval was given by the Minister of Agriculture and Forestry on 8 March 1950 to establish a prefectural credit federation in Okayama Prefecture, none of the unit cooperatives (including the promoters) have purchased capital stock in the federation and it is therefore neither registered or functioning. No action is being taken by prefectural officials to encourage support of the credit federation.

c. The Okayama Prefecture Fishing Association received approval from the MAF on 27 December 1950 to transfer its' assets and liabilities over to the general purpose fishermen's cooperative association federation and is now in progress. Old association liabilities total ¥3,546,519.18 (old book value) however, these can be covered by re-evaluation of assets. The federation is currently ¥500,000 in the red as a result of the poor fishing season during the past 3 months. They expect to balance their budget when the fishing season begins again in March or April. The prefectural federation reported difficulty in obtaining fuel and cotton sail cloth allocations from producers. This is not affecting production at present because of the slackened fishing season but may have some effect when operations are accellerated. Emphasis was placed on information activities to stimulate membership interest in the federation which is definitely lacking at present.

d. The two local cooperatives visited are virtually inactive as such. The two combined, represent 802 farmer-fishermen and only 20 full-time fishermen. Approximately 90% of the total production is consumed in the fishermen's homes. Business of the cooperatives is limited to pooling orders for materials. Credit and savings activities are conducted by local Agricultural Cooperatives.

e. A budget of ¥1,654,000. (to 31 March 1951) has been received for the five local fisheries rights adjustment committees. This will be sufficient if wisely administered. Each committee has employed two clerks. The temporary allocation of ¥108,436,000. as compensation for fishing rights was reported as insufficient. Request will be made at a conference in Tokyo on 30 January 1951 to increase this allocation to ¥230,000,000. All clerical work for the Prefecture Fishery Rights Compensation Committee will be done by personnel of the Prefecture Fisheries Section. No additional personnel are being hired.

f. The undersigned was approached by Mr. Asagoshi, Chairman of a committee organized in Okayama Prefecture for the purpose of determining compensation to be paid to fishermen for loss to be sustained when they dam up the outlet of Kojima Bay and convert the bay to fresh water for irrigation purposes in accordance with a project already approved by the Central Government. According to Mr. Asagoshi, the Okayama Agricultural Land Office, administering the project, has calculated the total compensation at ¥34,000,000. based on official prices and production records at the Fisheries Agency for the period 1947 - 1949. Affected fishermen want the compensation based on production recorded at their local cooperative

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plus that eaten by their families and sold on the side (presumably black-market). They also want fish prices increased. Fishermen state they will accept nothing less than a total of ¥200,000,000. Another committee has been formed, including representatives of the Okayama Agricultural Land Office to review the estimate of ¥34,000,000. However, irregardless of the finding of this committee, the Agricultural Land Office claim they cannot pay any more compensation. Evidently this project is not being held up because of the dispute over compensation since an allocation of ¥100,000,000 to 31 March 1951 has been made by the Central Government. This problem effects a total of 1200 fishermen of which 200 are full-time fishermen.

5. CONCLUSIONS:

a. Liquidation of old fishing associations in Okayama Prefecture has made much progress in the last month. Of the total associations, 75% have completed the transfer of assets and liabilities.

b. Although approved in March 1950, the Okayama Prefecture Credit Federation is not registered or functioning because promoters and other local cooperatives are not purchasing capital stock.

c. Complaints were registered regarding difficulty in obtaining allocated fuel and cotton sail cloth from producers.

d. The two local cooperatives visited are virtually inactive and are of very little economic importance.

e. The budget received for fisheries rights adjustment committees is sufficient; however, the temporary allocation of compensation for fishery rights will have to be more than doubled according to Okayama Prefectural officials.

f. The amount of compensation to be given fishermen of Kojima Bay when the bay is cut-off from the Inland Sea has resulted in a major dispute between the fishermen and the Okayama Agricultural Land Office. However, it appears that work is going ahead on the project before a settlement is reached.

6. RECOMMENDATIONS:

Recommend that the dispute over compensation money for Kojima Bay fishermen mentioned in Paragraph 4f., be brought to the attention of SCAP, CAS by including in the monthly activities report for January 1951.

Richard A. Neis

RICHARD A. NEIS, DAC
Mining and Fisheries Branch
Natural Resources Division

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MEMORANDUM FOR: Record

Recommendation included in Monthly Report for February 1951.

for SHIRO TOKUNO, DAC, GS-12
Chief, Natural Resources Div.
Economics Section

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

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CCAR 319.1

29 January 1951

SUBJECT: Report of Field Trip, Tottori Prefecture, 24 - 26 January 1951

TO : Chief
Economics Section

PREPARED BY: Mr. Richard A. Neis, Natural Resources Division

1. REFERENCE:

Operational Directive Number 13, Civil Affairs Section, General Headquarters, Supreme Commander for the Allied Powers, subject: "Fisheries", dated 12 April 1950.

2. PURPOSE:

To confer with officers of Miho Air Base and Japanese officials concerned reference establishment of direct liaison between Miho Air Base and a representative of Japanese fishermen on the use of the Yonago Air to Ground range, the Yonago No. 1 Air to Air Range and the Yonago No. 2 Air to Air Range.

3. BACKGROUND:

Numerous complaint from Japanese Prefectural Officials that an American liaison officer had not been established at Miho Air Base and that no contact with Miho Air Base regarding use of the gunnery ranges has been possible.

4. DISCUSSIONS:

a. A conference was held with the fishermen's laision representative and Japanese officials prior to visiting Miho Air Base to ascertain what efforts had been made by them in contacting Miho Air Base on this matter. It was found that no real effort had been made.

b. A conference was then held with Lt. Col. Dempster, Base Operations Officer at Miho and the Japanese liaison representative (Mr. Matsumoto) was introduced. The entire liaison procedure was outlined to Lt. Col. Dempster. Particular emphasis was placed on the necessity

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of maintaining close contact with the Japanese liaison representative to minimize loss in fish production within the gunnery ranges. Lt. Col. Dempster was pleased to hear that such arrangements had already been made as he was drawing up plans on a similar liaison system. Lt. Col. Dempster also pointed out that the ranges are not in use at present and fishermen were authorized to enter the danger areas until he contacted Mr. Matsumoto by phone. Activities on the ranges will be accellerated in 3 or 4 weeks but, however, will probably be confined to the morning hours of Monday, Wednesday and Friday. A permanent pass will be issued to Mr. Matsumoto so that he may enter the base and confer with the operations officer at any time. Until the pass is issued, liaison will be maintained via telephone. Lt. Col. Dempster also offered to attend a meeting of fishermen in the area, which is to be held soon, to re-assure any doubts which they may have. Miho Air Base was recently given complete control of the three gunnery ranges; therefore, if other agencies wish to use the ranges they must clear through Miho prior to conducting any activities on the ranges.

5. CONCLUSIONS:

a. Neither the Japanese liaison representative (Mr. Matsumoto) or Japanese Government Officials had made any real efforts to establish liaison with Miho Air Base on use of the gunnery ranges.

b. Officers at Miho Air Base were unfamiliar with current liaison procedures with Japanese fishermen. After review of the liaison system with Lt. Col. Dempster, Base Operations Officer, it proved to be very agreeable to him and assurance of close liaison with Mr. Matsumoto was obtained.

6. RECOMMENDATIONS:

None.

Richard A. Neis

RICHARD A. NEIS, DAC
Mining & Fisheries Branch
Natural Resources Division

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

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CCAR 319.1

23 January 1951

SUBJECT: Report of Field Trip, Hiroshima Prefectural Government, 19 January 1951

TO : Chief
Economics Section

PREPARED BY: Richard A. Neis, Natural Resources Division

1. REFERENCE:

Operational Directive Number 13, Civil Affairs Section, General Headquarters, Supreme Commander for the Allied Powers, subject: "Fisheries", dated 12 April 1950.

2. PURPOSE:

To confer with the chief and staff, Hiroshima Prefectural Government Fisheries Section to determine status of the fisheries reform program and the progress in liquidation and registration as being liquidated, of the old fishing associations in Hiroshima Prefecture.

3. BACKGROUND:

Improper distribution of information material found on field trip in Hiroshima Prefecture on 15 - 17 January 1951 and reported in paragraph 4e. of field trip report dated 23 January 1951.

4. DISCUSSIONS:

a. The Fisheries Section had initiated a new system for distribution of information material on the fisheries reform which flows down from the Fisheries Agency. As a result, the information material is not reaching the fishermen as determined by actual checks made by the undersigned. Under the new system, leaflets, pamphlets, etc. would be sent by the Fisheries Section to respective sea-area committees; they in turn would hand carry the material to the Fishing Rights Administration Committee located at each association and explain the contents of the material who would disseminate this information to fishermen. The hold-up was in the hand carrying of the material. It was pointed out to the Section Chief that while this method is probably more effective it does not provide for

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timely distribution of the material. Corrective action was assured by the Section Chief by reverting to the former system of forwarding the material direct to the cooperatives.

b. A temporary allocation of ¥208,000,000 as compensation for fishing rights has been received. The prefectural government will ask for ¥490,000,000 as compensation money at a national meeting of representatives of all prefectures to be held in Tokyo on 23 January 1951. Budget for the three sea-area adjustment committees totals ¥3,478,460. This theoretically covers all expenditures to 31 March 1951 however, it is estimated that twice this amount will be required. A training program (18 - 19 January 1951) sponsored by the Fisheries Section is under way for the 17 administrative personnel employed by the Prefectural Fishing Rights Compensation Committee after which they will commence operations. The Prefectural Sea-Area Adjustment Committee has been organized with five members serving from each of the three sea-area committees.

c. Thirty four (34) of the 59 old fishing associations have transferred assets and liabilities to respective cooperatives. The old Prefectural Association and the old Marine Products Manufacturing Association are the only ones in the prefecture which do not possess fishing rights and can register liquidation after the completion of the transfer of assets and liabilities. The latter is the only one registering liquidation at the present time.

5. CONCLUSIONS:

a. Assurance was received that the Fisheries Section will take corrective action to implement distribution of information material received from the Fisheries Agency in Tokyo.

b. The Fisheries Section feels that the budget for Sea-area Adjustment Committees is insufficient and that compensation money for fishing rights will have to be more than doubled.

c. Transfer of assets and liabilities of old fishing associations to cooperatives is progressing satisfactorily.

6. RECOMMENDATIONS:

None.

Richard A. Neis

RICHARD A. NEIS, /DAC
Mining and Fisheries Branch
Natural Resources Division

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

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

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CCAR 319.1

23 January 1951

SUBJECT: Report of Field Trip, Hiroshima Prefecture, 15 - 17 January 1951

TO : Chief
Economics Section

PREPARED BY: Richard A. Neis, Natural Resources Division

1. REFERENCE:

Operational Directive Number 13, Civil Affairs Section, General Headquarters, Supreme Commander for the Allied Powers, subject: "Fisheries", dated 12 April 1950.

2. PURPOSE:

To conduct routine inspections of six Fishermen's Cooperative Associations in Hiroshima Prefecture.

3. BACKGROUND:

None.

4. DISCUSSIONS:

a. The following Fishermen's Cooperative Associations were visited:

(1) Inokuchi-mura Fishermen's Cooperative Association, Inokuchi-mura, Hiroshima Prefecture.

(2) Itsukaichi Fishermen's Cooperative Association, Itsukaichi-machi, Hiroshima Prefecture.

(3) Onokami Fishermen's Cooperative Association, Ono-machi, Hiroshima Prefecture.

(4) Ono-cho Fishermen's Cooperative Association, Ono-machi, Hiroshima Prefecture.

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(5) Uchinoumi Fishermen's Cooperative Association, Takata-mura, Hiroshima Prefecture.

(6) Mitaka Fishermen's Cooperative Association, Mitaka-son, Hiroshima Prefecture.

b. Liquidation of old fishing associations (except fishing rights) has been approved by the prefectural government in all areas visited except Ono-machi. The transfer is being held up at Ono-machi because of plans to amalgamate the four cooperatives and because of disagreement over the division of ¥430,000 of old association liabilities. One cooperative (the Marubayashi) was amalgamated with the Ono-seto cooperative which now forms the Ono-cho cooperative on 27 December 1950. It is anticipated that the other two cooperatives will amalgamate with the Ono-cho cooperative in the very near future. Only three of the six cooperatives visited are conducting savings programs however, deposits are very small. Nearly all services required by oyster culturers such as, marketing and supplying materials, are being conducted by the recently organized Hiroshima Prefecture Oyster Fishermen's Cooperative Association. Consequently, the smaller unit cooperatives are losing much income and members are beginning to show lack of interest. The Inokuchi Cooperative has invested its' entire capital stock plus an additional ¥130,000 borrowed from the local agricultural cooperative into seaweed culture. In all areas visited, tax payment by fishermen was not a major problem.

c. The Uchinoumi and Mitaka Cooperative officials requested long term, low interest loans for working fishermen and that the "red tape" involved when getting a loan from the Ministry of Agriculture and Forestry Central Cooperative Bank be minimized as much as possible.

d. The usual complaints were registered regarding the shortage of fuel and cotton goods although many fishermen are still unable to purchase cotton goods because of high prices. The Inokuchi Cooperative officials state that their members are purchasing much of their cotton good requirements through the black-market and receive better quality goods at lower prices.

e. It was noted that five of the six cooperatives visited had not received the information leaflet and pamphlet on fishing grounds planning which were distributed by the Fisheries Agency in late November 1950.

5. CONCLUSIONS:

a. Although three of the cooperatives visited have savings programs, deposits are very small. Increased membership interest in savings is needed.

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b. The Hiroshima Prefecture Oyster Fishermen's Cooperative Association is taking away much of the business and income of the smaller unit cooperatives which have members who are oyster culturers.

c. Requests were made for long term, low interest loans for working fishermen.

d. Officials of the Inokuchi Cooperative claim their members are purchasing much of their cotton good requirements through the black-market and receive better quality goods at lower prices.

e. Information material distributed by the Fisheries Agency on the fishing rights reform is not reaching the fishermen in Hiroshima Prefecture.

6. RECOMMENDATIONS:

The distribution of information material to fishermen in Hiroshima Prefecture which is published by the Fisheries Agency, should be investigated.

Richard A. Neis

RICHARD A. NEIS, DAC
Mining & Fisheries Branch
Natural Resources Division

MEMORANDUM FOR: Record

Distribution of information mentioned in paragraph 6, reported in Mr. Neis' field trip report dated 23 January 1951.

Shiro Tokuno

SHIRO TOKUNO, DAC
Chief, Natural Resources Div.
Economics Section

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

N.R. Noted - Hbk

Nat. Res. Division
File No. D-12 - Neis

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D/RAN/mn

CCAR 319.1 19 January 1951

SUBJECT: Report of Field Trip, Yamaguchi Prefecture, 8 - 12 January 1951

TO : Chief
Economics Section

PREPARED BY: Mr. Richard A. Neis, Natural Resources Division

1. REFERENCE:

Operational Directive Number 13, Civil Affairs Section, General Headquarters, Supreme Commander for the Allied Powers, subject: "Fisheries", dated 12 April 1950.

2. PURPOSE:

To make routine visits to seven Fishermen's Cooperative Associations in the Ube and Onoda City areas, Yamaguchi Prefecture and to attempt to determine the loss in fish production caused by water pollution by factories and coal mines in those areas.

3. BACKGROUND:

Information received at Yamaguchi Prefectural Government concerning water pollution in Ube and Onoda City areas.

4. DISCUSSIONS:

a. The following fisheries organizations were visited:

(1) Ube-Misaki Fishermen's Cooperative Association, Ube City, Yamaguchi Prefecture.

(2) Ube-Shinkawa Fishermen's Cooperative Association, Ube City, Yamaguchi Prefecture.

(3) Tokonami Fishermen's Cooperative Association, Ube City, Yamaguchi Prefecture.

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(4) Higashi-Kiwa Fishermen's Cooperative Association, Higashi-Kiwa-son, Yamaguchi Prefecture.

(5) Onoda Fishermen's Cooperative Association, Onoda City, Yamaguchi Prefecture.

(6) Takadomari Fishermen's Cooperative Association, Onoda City, Yamaguchi Prefecture.

(7) Asa-cho Fishermen's Cooperative Association, Asa-cho, Yamaguchi Prefecture.

b. The transfer of assets and liabilities of old fishing associations to the cooperative has been completed in all areas. Only three cooperatives had savings programs. All seven cooperatives are conducting other business activities for their members such as marketing of fish and handling of fuel and fishing gear. At the Ube-Misaki Cooperative all savings are returned to fishermen at the year end. The Takadomari and Asa-cho cooperatives are comprised of fishermen-farmers with their main product being laver seaweed. Members of the Ube-Misaki Cooperative are ¥3,000,000 in arrears on tax payments however, none of their fishing equipment has been attached by the local tax office as yet. The Onoda Fishermen's Cooperative Association has made ¥613,354 profit as of 31 December 1950 which is exceptionally good for a cooperative with only 175 members and is a sign of good management. The Tokonami Cooperative also appeared to be well managed.

c. Fuel shortages ranging from 40% to 75% were reported at all cooperatives. Cotton net and twine shortages were also reported although, even if the goods were available, the fishermen would be unable to purchase them in most cases because of the high prices. The president of the Asa-cho Cooperative requested that government subsidies be returned to fishing gear to lessen operational costs so as to compare more favorably with current income.

d. Seven Fishermen's Cooperative Associations in the Ube area are asking compensation from the Ube Chisso K. K. totalling ¥34,000,000 for income lost during the year of 1949. The discharge of tar residue from this factory has not cuased any fish mortality but has given the fish an oily scent causing an approximate 20% reduction in selling price of the fish.

e. The Takadomari and Asa-cho complained of loss in production caused by the discharge of picric acid from two gunpowder factories located along the Asa River. It is estimated that laver seaweed production, which is cultivated at the mouth of the river, and river fish production has decreased 30% and 60% respectively due to this fact. These factories have been asked twice by the affected cooperatives (19 December

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1950 and 7 January 1951) to stop discharging the acid into the river; however, it still continues. No compensation is being requested by the fishermen as the factories are in the red and feel they could not pay at any rate. Fishermen would be satisfied if the factories would either stop dumping the acid in the river or neutralize the acid so as not to have any devastating effect on the seaweed and fish production.

f. Another problem was brought to light by the Ube-Misaki and Ube-Shinkawa Cooperatives regarding ammunition which was dumped in the Ube Bay at the end of the war. Three salvage companies have been contracted by the Tokyo Maritime Safety Bureau to recover the shells (mostly 6 inch shells) however, they are only taking the brass casings and scattering the steel heads over an enlarged area. The aforementioned cooperatives have petitioned the Maritime Safety Bureau claiming the steel heads of the shells are being dumped back into the bay causing much damage to fishing gear and have asked permission to salvage these heads at the cost of the cooperative. This request has been disapproved. It is the belief of the undersigned that the only type gear which would be affected by the shell heads is the illegal type gear called SENSHA-MANGA (a bottom drag-net). Four such SENSHA-MANGA's were found along the shore adjacent to the Ube-Misaki Cooperative office.

5. CONCLUSIONS:

a. The Tokonami and Onoda Cooperatives appeared to be well managed.

b. Fuel shortages ranging from 40% to 75% were reported by all cooperatives. Cotton shortages were also reported although fishermen are unable to purchase the goods in most cases because of the high prices. Fishermen would like to have government subsidies returned to fishing gear.

c. The Ube Chisso K. K. is the only factory in the Ube Area causing loss in fishermen's income because of water pollution. Seven affected cooperatives have asked compensation from this factory totalling ¥34,000,000 for loss caused in 1949.

d. Laver seaweed and river fish production has been reduced 30% and 60% respectively in the Onoda area due to the discharge of picric acid by two gunpowder factories along the Asa River. No compensation has been requested by the affected cooperatives.

e. Damage to fishing gear caused by shells dumped in the Ube Bay at the end of the war should not be taken too seriously as it is rather evident that only illegal type SENSHA-MANGA, a bottom drag-net, are being affected.

6. RECOMMENDATIONS:

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Recommendations should be made to the Yamaguchi Prefectural Government Fishery Department to intervene for cooperatives requesting compensation for loss in production and income caused by water pollution from industrial waste and if possible, introduce legislation into the prefectural assembly requiring counter-measures against the dumping of industrial waste into fishing grounds which will affect aquatic animals and plants.

Richard A. Neis

RICHARD A. NEIS, DAC
Mining and Fisheries Branch
Natural Resources Division

MEMORANDUM FOR: Record

The Yamaguchi prefectural government will be notified of recommendations made in above report.

for SHIRO TOKUNO, DAC
Chief, Natural Resources Div.
Economics Section

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

Nat. Res. Division
File No. D-12-NEIS

Noted Heck

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
APO 182

D/RAN/mn

CCAR 319.1

16 October 1950

SUBJECT: Report of Field Trip, Okayama, Tottori, Shimane and Yamaguchi Prefectures, 9 - 13 October 1950

TO : Chief
Economics Section

PREPARED BY: Richard A. Neis, Natural Resources Division

1. REFERENCE:

Operational Directive Number 13, Civil Affairs Section, General Headquarters, Supreme Commander for the Allied Powers, subject: "Fisheries", dated 12 April 1950.

2. PURPOSE:

To ascertain through spot-checks of Fishermen's Cooperatives the progress of fisheries programs.

3. BACKGROUND:

None.

4. DISCUSSIONS:

a. The following organizations were visited:

(1) Okayama Prefecture Fishermen's Cooperative Association Federation, Okayama City.

(2) Tottori Prefecture Fishermen's Cooperative Association Federation, Tottori City.

(3) Tottori Prefecture Neriseihin Marine Products Processing Cooperative, Tottori City.

(4) Shimane Prefecture Fishermen's Cooperative Association Federation, Matsue City.

(5) Asakumi Fishermen's Cooperative, Matsue City.

(6) Yamaguchi Prefecture Marine Products Processing Cooperative Association Federation, Yamaguchi City

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(7) Muko-shima Fishermen's Cooperative, Hofu City, Yamaguchi Prefecture.

b. Inspections during this trip were concentrated mostly on federation organization and operation. All of the federations visited are operating in the red, short of personnel and consequently being of little economic assistance to member cooperatives. The necessity of close liaison and cooperation between the federations and Prefectural Fisheries Sections who are also short of personnel and funds, was stressed. Except in Tottori where well integrated programs of the federation and Prefectural Government have been developed, a feeling of dis-trust and/or inability of one or the other organization was noted.

c. After admonishing the Shimane Federation in front of its' 100 member cooperatives on 31 July 1950, many improvements were found. On 21 September 1950 they re-opened central fish markets in Matsue City and Izumo City after complete renovations. The re-opening of the markets was well publicized and they have 70 retailers registered at Izumo and 60 retailers registered at Matsue. Long range plans have been made to increase fish storage facilities and take over the distribution of oil and fishing gear from privately-owned companies.

d. Sources of revenue were also a main topic of discussion. Local control of fish marketing was emphasized not only to increase revenue but to increase returns to fishermen by controlling the price of fish. In Okayama City, competition is very strong. There are currently six individual companies handling fish in addition to the federation.

e. Visits to the Tottori Prefecture Neriseihin Marine Products Cooperative and the Yamaguchi Prefecture Marine Products Processing Cooperative Association Federation revealed that they are practically required to be a member of a so-called National Marine Products Fish Cake Society (Zenkoku Suisan Kamaboko Kyokai) in order to insure their existence. Apparently this society excercises theoretical control over supplies of the prefectural organizations. Annual membership fees are required of the prefectures and appear to be exhorbitant. The Yamaguchi Processing Federation which has only 4 cooperative members comprised of a total of 87 individuals must pay ¥128,000 to the society as membership fees for 1950. In return they supposedly receive support of the society in obtaining scarce processing items such as sugar and their support in initiating or changing national legislation which affects fish processors. The society also carries on an information and education program.

5. CONCLUSIONS:

a. The Shimane Prefecture Federation has made remarkable improvements although there is much more to be expected.

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b. The excellent coordination between the Tottori Prefecture Federation and the Tottori Prefectural Government and the favorable results which they obtain proves that this cooperation is necessary to eliminate duplication of effort and to broaden the scope of activities on the prefectural level.

c. The so-called National Marine Products Fish Cake Society appears to be bleeding the Prefectural Processing Associations and Federations.

6. RECOMMENDATIONS:

That activities of the National Marine Products Fish Cake Society be investigated in further detail to determine its' feasability and if deemed necessary submit a special report on the subject to higher headquarters.

RICHARD A. NEIS, DAC
Mining and Fisheries Branch
Natural Resources Division

MEMORANDUM FOR: Record

Reference is SCAPIN 1860 dated 16 February 1948, Subject: "Interpretation of Policy Concerning the Elimination of Control Associations".

The National Marine Products Fish Cake Society (Zenkoku Suisan Kamaboko Kyokai) has all the earmarks of a control association. However, there is no indication that the cooperatives are forced to join or that supplies will be cut off if they do not join.

A more complete investigation will be made. If upon completion of future investigation the National Marine Products Fish Cake Society proves to be a control association a special report will be prepared and forwarded to higher headquarters.

GEORGE K. BLACKWOOD, DAC
Chief, Natural Resources Div.
Economics Section

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

D-12-NEIS

CCAR 319.1 (D-Ne) 6 October 1950

SUBJECT: Report of Field Trip, Yamaguchi Prefecture, 25 - 27 September 1950

TO : Chief
Economics Section

PREPARED BY: Richard A. Neis, Natural Resources Division

1. REFERENCE:

Operational Directive Number 13, Civil Affairs Section, General Headquarters, Supreme Commander for the Allied Powers, subject: "Fisheries", dated 12 April 1950.

2. PURPOSE:

To ascertain through spot-checks of Fishermen's Cooperatives, the progress of fisheries programs.

3. BACKGROUND:

None.

4. DISCUSSIONS:

a. Inspections and conferences with cooperative officials were conducted at the Yanai Bay Fishermen's Cooperative, Yanai-cho, the Hikari Kyoei Fish Production Association, Hikari City, the Kudamatsu City Fishermen's Cooperative and Kasado-jima Fishermen's Cooperative both of Kudamatsu City and the Tokuyama Fishermen's Cooperative, Tokuyama City all of which were located in Yamaguchi Prefecture.

b. All cooperatives visited were operating as well as can be expected at this time. Assets of the old associations had been transferred in all cases except at Kudamatsu where the division of assets has been completed but the papers had not been submitted to the Prefectural Government for approval. This will reportedly be accomplished within a week to 10 days. The Tokuyama Cooperative took over liabilities of the old association amounting to ¥420,436.82. The Tokuyama Cooperative operates their own market and takes 4% of the members fish catch returns for deposit in the cooperative. None of the other cooperatives operate markets or have savings programs. The Yanai Cooperative plans to establish

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a market in the near future. They are currently charging annual membership fees to cover overhead expenses which range from ¥100 to ¥400 per member depending on yearly income. Capital stock of all except the Hikari Production Association is too little and still not all paid.

c. The Hikari Production Association is the first organization of this type to be inspected by the undersigned. It has 25 members and is capitalized at ¥500,000 (all paid) with each share valued at ¥20,000. They operate one medium sized hand operated trawl for sardines. Each operation requires 25 - 30 men, 2 non-powered boats, 2 powered boats, net and 1 powered searcher boat. The 2 non-powered boats and net are owned by the association and the 3 powered boats are rented from members of the association. Profits are divided equally to members and employees every 10 days.

d. An experimental expedition was made from 12 - 18 September 1950 by the Hikari City Cooperative to the Tsushima Islands to determine fish resources and best fishing periods in that area. This was accomplished because the fishing season in Hikari City area is limited to April through November. They found that; large resources of sea bream and yellowtail which can be fished by long-line from December through February are available, the boats of Hikari which are 8 meters long and 1.6 meters wide and average 2 tons are large enough and a fleet of over 10 boats and one transportation boat to shuttle fish from catcher boats to Shimonoseki is required. It is necessary for the boats to stay out a minimum of two months to make the operation profitable. Tsushima is approximately 30 hours from Hikari City and 20 hours from Shimonoseki. Arrangements are being made to send the first fleet out around January 1951 if sufficient funds can be obtained through the Fishery Bill System.

e. Reports of illegal fishing by fishermen of Shikoku in the Inland Sea were registered by all concerned. The Mayor of Kudamatsu has made personal visits to the Regional Maritime Safety Bureau in Hiroshima attempting to remedy this situation but with little result.

5. CONCLUSIONS:

Illegal fishing in the Inland Sea has apparently been increasing over the past few months because of the tight pinch the fishermen are in at the present time. It is believed by this reporter that actual investigation into this would show that a large percentage of the illegal fishing is being done by fishermen of this region. Basis for this belief is the fact that fish resources in Shikoku waters are much greater because of the larger sea area and lesser number of fishermen.

6. RECOMMENDATIONS:

a. A conference with the Regional Maritime Safety Bureau in Hiroshima is scheduled for 13 October 1950. It will be recommended at this meeting that maximum effort be employed to help solve this problem.

This should not be under recommendations — it is an action

HLK 2

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b. It was recommended at the Hikari Fish Production Association that fishermen employees of the association should not receive the same percentage of net profits as members of the association. It was suggested that either the fishermen employees be required to become members and purchase a ¥20,000 share in the association thereby making them eligible for an equal share of the profits, pay them straight laborers wages or at least give them a smaller percentage of the net profits than that given to members of the association. Otherwise, membership in the association would be meaningless.

Richard A. Neis

RICHARD A. NEIS, DAC
Mining and Fisheries Branch
Natural Resources Division

MEMORANDUM FOR: Record

Recommendations self-explanatory.

GEORGE K. BLACKWOOD, DAC
Chief, Natural Resources Div.
Economics Section

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

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

20 September 1950

SUBJECT: Field Trip Report - Tottori and Shimane Prefectures, 6 - 9 September 1950

TO : Chief
Economics Section

D-12.1K19

1. Purpose:

To accompany Mr. William C. Neville, GS-14, Deputy Chief, Fisheries Division, General Headquarters, Supreme Commander for the Allied Powers and Mr. Munechika, GS-7, Fisheries Division on inspection trip.

2. Background:

"Notification of Visitors", received 1 September 1950.

3. Discussions:

The purpose of Mr. Neville's trip was to review with fishermen of Tottori and Shimane, their estimates of damages caused by Air Force Gunnery Ranges and to determine their basis of computation for these estimates.

a. Estimates of damage for ranges in this area totalled 44 million yen for 1949 and is the second largest claim of the fourteen gunnery ranges in Japan. These ranges include the Yonago Air to Ground Range, Yonago No.1 (Air to Air) off the coast of Tottori and Yonago No.2 (Air to Air) off the coast of Shimane. Of the 44 million yen claim, roughly 2 million was for Tottori fishermen and the remainder for Shimane fishermen.

b. A conference with fishermen of Tottori laid little basis for their claim except for one individual claim for ¥600,000 for loss of boats, nets, etc. on the Yonago Air to Ground Range which was substantiated by records from Miho AFB.

c. The conference with fishermen of Shimane revealed a more realistic basis for claims necessitating few changes in the original estimate. Both prefectures are currently revising their reports.

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d. The Japanese Government has already passed legislation approving payment of claims to fishermen for damage caused them by Occupation Force gunnery Ranges. This compensation will come from the Termination of War Fund of which there are two parts; one for Supreme Commander for the Allied Powers and one for the Japanese Government. It has not as yet been decided which part of the fund the money will come from but it is presumed that it will be taken from the SCAP part of the fund which is the reason for direct investigation by SCAP.

4. Conclusions:

5. Recommendations:

None.

Richard A. Neis

RICHARD A. NEIS, DAC
Natural Resources Division
Economics Section, CCAR

MEMORANDUM FOR RECORD:

Self-Explanatory.

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

19 September 1950

SUBJECT: Field Trip Report - Hiroshima Prefecture,
1 and 2 September 1950

TO : Chief
Economics Section

Nat. Res. Division
File No. D-12-NEIS

1. Purpose:

To ascertain through spot-checks of Fishermen's Cooperatives the progress of fisheries programs.

2. Background:

Operational Directive Number 13, Civil Affairs Section, General Headquarters, Supreme Commander for the Allied Powers, subject: "Fisheries", dated 12 April 1950.

3. Discussions:

Inspection of the Kuba Fishermen's Cooperative, Kuba-cho was made on 1 September 1950 and a conference held with representatives of the four cooperatives of Ono-machi on 2 September 1950 from which the following information was obtained:

a. Organization of Cooperatives and Financial Conditions

Assets of the old fishing association at Kuba were transferred to the cooperative on 3 October 1949 and is known as the first to complete this phase in Hiroshima Prefecture. Assets of the Ono-machi Association have not been transferred as yet because of some difficulty over the large amount of liabilities. The four cooperatives of Ono-machi have decided to consolidate into one because they have realized they cannot survive and be of service to the fishermen as separate units. As a result few economic services are afforded the fishermen of Ono-machi at this time.

The Kuba Cooperative is very well organized and managed. Here, a full-time managing director is hired. The cooperative handles all fish catch of its' 163 members of which 159 full-time fishermen. From the sale of fish, 5% is taken as commission and 5% is taken for deposit in the cooperative in the account of the fisherman concerned. One interesting point is that the majority of the fish retailers to whom the cooperative sells fish are wives of the cooperative members.

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The cooperative President explained the reason for this as being that the members of the cooperative realize the necessity of selling their fish through the cooperative in order to strengthen it and maintain fish prices at favorable levels. The Kuba Cooperative also has a fairly good information and education program. A monthly newspaper is printed and distributed to each member, monthly discussion meetings are held and two or three educational films are shown each year depending on availability.

b. Fuel and Fishing Gear Supplies

Kuba Cooperative reports an oil shortage of 20% and Ono-machi Cooperative reported a 25% deficiency. These cooperatives are well off as far as oil supplies are concerned because normal oil shortage reports are from 40 to 50% and sometimes higher. Sufficient supplies of fishing gear were available at both places but complaints of high prices were made.

c. Fishing Boat Insurance

Kuba Cooperative has two boats insured (these are owned by the cooperative) of a total of 133 however, they plan to have 30 insured by the end of the year. None were insured at Ono-machi.

d. Fish Conservation

During recent years, one of the major projects of Ono-machi has been the construction of rock caves along the shores of Miya-jima for spawning purposes with a view toward increasing fish resources. To date, 15 caves have been built and plans call for construction of eight more. To complete the project they require 1.5 million yen. Work has been temporarily suspended because of the proposed amalgamation of the cooperative of Ono-machi.

4. Conclusions:

a. The Kuba Cooperative is very well organized and managed and is definitely an asset to its' members.

b. Amalgamation of the four cooperatives of Ono-machi is an excellent move especially since no outside interference was given and they came to realize the necessity of it themselves. There should be more of this.

5. Recommendations:

None.

Richard A. Neis
RICHARD A. NEIS, DAC
Natural Resources Div.
Economics Section, CCAR

MEMORANDUM FOR RECORD:

Self. explanatory.

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

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

File No. P-12-NE19

15 September 1950

SUBJECT: Field Trip Report - Yamaguchi, Shimane, Tottori and Okayama, 11 - 14 September 1950

TO : Chief
Economics Section

1. Purpose:

To review Japanese Monthly Reports on fisheries with Prefectural Fisheries Section personnel in order to further clarify requirements of this headquarters and to achieve a uniform reporting system by all prefectures.

2. Background:

Operational Directive Number 13, Civil Affairs Section, General Headquarters, Supreme Commander for the Allied Powers, subject: "Fisheries", dated 12 April 1950 and previous monthly reports on fisheries programs submitted by Prefectural Governments.

3. Discussions:

a. Conferences were held with Fisheries Section personnel in each of the prefectures of Yamaguchi, Shimane, Tottori and Okayama. Each question of the report required by this headquarters was discussed in very fine detail so as to clarify any doubts or misunderstanding in the mind's of Japanese officials. Attempts were also made to make reports from the prefectures more uniform.

b. Sufficient time allowed the hearing of a fuel oil problem from representatives of the Mihonoseki Cooperatives who were visiting the Shimane Prefectural Office on that subject and to inspect the Shinjiko Lake Cooperative located in Matsue City.

The fuel oil shortage at Mihonoseki is the severest ever reported to the undersigned. Fishing operations have stopped completely in that village since 24 August 1950 and is affecting 230 fishermen. Five months advanced allocations have already been received and since advance allocations were stopped by Government order, they can not obtain any more oil. Statistical data to support their statements was not available at Matsue and it was therefore suggested that a complete detailed report be forwarded to this headquarters as soon as possible.

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Report of Field Trip - Yamaguchi, Shimane , Tottori and Okayama, 11 - 14 September 1950, by C. A. Neis, dtd 15 September 1950.

The Shinjiko Lake Cooperative with 1,557 members appeared to be operating on a financially secure basis in comparison with coastal cooperatives in the same area. Recommendations were given by Mr. G. K. Blackwood, Chief of Natural Resources Division this headquarters who accompanied this reporter that the cooperative establish their own market to provide additional revenue to the cooperative and a means by which a savings program could be initiated. Currently all fish are handled by private brokers who are taking 5% commission and reportedly giving the cooperative 2% of this amount. Establishment of their own market would be especially advantageous because of the fact that Matsue City does not have a central market thereby minimizing any major competitive threat.

4. Conclusions:

a. The current list of questions supplied by this headquarters as the basis for Japanese monthly reports, does not in many instances conform to Japanese reporting procedures therefore making it difficult for them to compile accurate reports.

b. The reported shortage of fuel oil at Mihonoseki appears to be serious and may be the first of a chain of such reports. Their report, if sufficiently detailed on arrival at this headquarters, should be forwarded without delay to Supreme Commander for the Allied Powers for their consideration.

5. Recommendations:

That the monthly report from each prefecture on fisheries programs be revised to conform more closely to Japanese reporting systems without losing any of the information required by this headquarters. This will present a more accurate overall report rather than the opinions of one or more Prefectural Officials.

Richard A. Neis

RICHARD A. NEIS, DAC
Natural Resources Division
Economics Section

MEMORANDUM FOR RECORD:

Monthly report submitted are in the process of being revised.

E.K.B

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
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22 August 1950

SUBJECT: Field Trip Report - Okayama-ken, 14 - 18 August 1950

TO : Chief
Chugoku Civil Affairs Region
APO 182

1. Purpose:

To ascertain through spot-checks of Fishermen's Cooperatives and polling stations the progress of fisheries programs and election of Sea-area Fisheries Adjustment Committees.

2. Background:

C.D. #13, Civil Affairs Section, GHQ, SCAP, Subject: "Fisheries", dated 12 April 1950.

3. Discussions:

The following information on the fisheries programs was obtained at the Fishermen's Coopratives listed below:

Mitsu Cooperative, Shiraishi-son, Okayama-ken
Koura Cooperative, Koura-son, Okayama-ken
Kotoura Cooperative, Kotoura-cho, Okayama-ken
Hikiami Cooperative, Kotoura-cho, Okayama-ken

a. Organization of Cooperatives and Financial Condition

Assets of the old association at Koura have been transferred to the cooperative. In all other places the transfer process will be completed in the very near future. All the cooperatives visited had been in operation a year or more but were small in membership and capital stock. The Koura Cooperative was the only one which conducted any economic services for its members. They currently have ¥210,000 deposited in varying amounts by all 82 members and are purchasing and selling fish, oil and gear through their market facilities. No loans had been made to fishermen of this cooperative and it can therefore be concluded that these fishermen are financially secure at the present time. One financial hazard noted at the Koura Cooperative was that they are using part of the fishermen's deposits to purchase oil and fishing gear keeping only 10% of the deposits on hand for daily withdrawls. The Ken representative accompanying this reporter stated

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that this practice is steadily increasing in Okayama-ken. The Ken Fisheries Section is not worried about this because most nets and fishing gear are peculiar to each respective district and the fishermen place their orders through the cooperative which practically guarantees purchase by the fishermen. It was further stated that there is little or no outside competitions.

All cooperatives except Koura have a pessimistic outlook on the current financial situation. They are doing there utmost to keep from going in debt and are more or less waging a battle of survival. As a result of this, capital stock is practically nil. and they are conducting none of the economic services originally intended, such as, credit and savings programs, buying and selling of fish catch and fishing supplies and information and education programs, all because they are afraid to hire personnel. All this merely proves that cooperative officials still have not grasped the meaning and ways of a cooperative and the lack of good management personnel.

Although complaints of high taxes are common very few fishermen in the areas visited are having difficulty in paying them.

b. Fuel and Fishing Gear Supplies

The Kotoura Cooperative and Hikiami Cooperative reported shortages of oil and nets and rope at 50% and 30% respectively. The oil shortage is reportedly due to the fact that fish are scarce in the immediate locale and they must go further to catch fish.

c. Fishing Boat Insurance

Members of 2 of tha 4 cooperatives visited are currently participating in the insurance program. At the Mitsu Cooperative, 30 of the 140 powered boats and 10 of the 140 non-powered boats have insurance and at the Kotoura Cooperative, 12 of the 34 powered boats are insured.

d. Fisheries Rights Reform

In Okayama-ken there were 82 polling stations located in 53 localities with a total voting strength of 17,513 for the election of Sea-Area Adjustment Committees on 15 August 1950. There were at least 8 candidates to fill the 7 seats in each committee of each sea-area. The highest number of candidates for one area was 11 in the Kojima Bay Sea-Area.

Surveillance was carried out on election day at 5 places with the largest number of voters. No irregularities were noted. A very high voting percentage was evident in most places visited which tends to show knowledge and interest in the election. It is also interesting to note that none of the candidates in Okayama-ken had