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Exh. No.

Translated by
Defense Language Branch

INTERNATIONAL MILITARY TRIBUNAL FOR THE FAR EAST



THE UNITED STATES OF AMERICA, et al

- vs -

ARAKI, Sadao et al

Itagaki

entirely material
Sworn Deposition (Translation)

Deponent;-- MADOKORO, Shintaro

Having first duly sworn an oath as on attached sheet
and in accordance with the procedure followed in my country
I hereby depose as follows.

1. I, MADOKORO, Shintaro, am engaged in foreign trade and at present residing at #2, 2-chome, NANKAIDO, NISHINARI-ku, Osaka city.
2. I was connected with the Pan-pacific Trading and Navigation company from the 14th year of Showa (1939) to December 7, the 16th year of Showa (1941).
3. I became connected with this company through KOJIMA, Gitaro, who is my elder brother. KOJIMA was in America for many years and was engaged in business with Mr. Harry Chandler as he was very close to him and had his confidence.

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Mr. Chandler was a resident of Los Angeles and was then a leader of the Republican party, President of the Los Angeles Times and a banker.

I planned to import gasoline to Japan with this contact with KOJIMA and with the financial assistance of Mr. NISHIKAWA, Suekichi.

4. In order to enlarge this business and to promote trade between Japan and America we established the Pan Pacific Trading and Navigation Company with a capital of \$300,000, 000. on August 31, 14th year of Showa (1939).

One half, \$150,000,000., of the capital of this company was to be invested by the American side, and other half, ¥600,000,000. by the Japanese side. Then with this company as a foundation we planned to established credit of \$2,000,000,000. for the development of the Orient, especially China, with the technical knowledge and capital of Japan and America, and promote of American exports to Japan and Japanese exports to America.

As it was necessary to obtain an understanding of the Japanese Government to get the investment of the Japanese side for this company, Mr. NISHIKAWA exerted his efforts to have Mr. OKAWA, Shumei, whom he knew from before, induce Mr. HIRANUMA, Kiichiro, the then premier. I visited Mr. HIRANUMA together with Mr. OKAWA in the

fall of the 14th year of Showa, 1939. On this occasion, Mr. OKAWA told Mr. HIRANUMA over a course of 2 hours that a threatening situation existed between Japan and America, that a Japanese-American War would lead to a World War, that this must be avoided, that the sole way of evading a possible war between these two nations was to withdraw troops from China and to assist in China's development by the economic cooperation of Japan and America, and that, for that purpose, it was necessary to support by all means the said company to make it the foundation for this means.

At first, Mr. HIRANUMA, not knowing about Messrs. Chandler, NISHIKAWA and KOJIMA and their connections with the above company, appeared to have great doubts to what extent the Americans were intent upon and whether they were reliable. But he came to understand it in the end.

Standing alongside of Mr. OKAWA listening to him speak, I was very deeply impressed by his profound learning and enthusiasm as well as by his logical argument. And I felt very much encouraged having obtained Mr. HIRANUMA's hearty approval.

5. I obtained understanding from Mr. ITAGAKI, Seishiro, the then War Minister, and from whom I received a written agreement.

6. As a result, it turned out that the President of the Bank of Japan would undertake to finance it through the NOMURA Trust Company and the bonds were decided to be issued in America. I will submit the articles of this company as I have them with me.
7. The company decided first of all to import gasoline for aviation from America in the 15th year of SHOWA (1940) and to export tungsten from Japan. After repeated negotiations about it with Mr. Williams, the Commercial Attache of the American Embassy, the Metal Reserve Company of America placed an order for 5,000 tons of tungsten with Mr. NISHIKAWA, and Secretary of State Hull of America granted export permission for the gasoline. As I have the written contract on the above transaction (the order form) and the permit, I will submit them.
8. This transaction was not however carried out after all. Firstly, as the agreement was to have the gasoline delivered to Japan by a U.S. ship and there were no ships and also the fact that German submarines were haunting the American coast. Secondly, as some financiers, excluding Mr. NISHIKAWA and his group tried to get themselves directly concerned with this transaction. Namely, it was then that America had abrogated the commercial treaty with Japan and

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suspended the export of goods and funds. so this company's business was the sole trade between Japan and America at the time. Such being the case, those foreign traders previously in an important position in Japanese-American trade were against it as it was a menace to their positions. Thirdly, a rumor got around that these transactions were a fraud. The rumor was so deep-rooted among the officials of the Foreign Ministry as well as among the army officers that it was a great obstacle in the progress of the transactions.

On this 16th day of Sept. 1947

At YUMEI-KAN hotel, Tokyo

DEPONENT /S/ MADOKORO, Shintaro (seal)

I, OHARA, Shinichi, hereby certify that the above statement was sworn by the Deponent, who affixed his signature and seal thereto in the presence of this witness.

On the same date

At the same place

Witness: /S/ OHARA, Shinichi (seal)

OATH

In accordance with my conscience I swear to tell the whole truth withholding nothing and adding nothing.

/S/ MADOKORO, Shintaro(seal)