

Exhibit 2789

20

INTERNATIONAL MILITARY TRIBUNAL FOR THE FAR EAST

THE UNITED STATES OF AMERICA, et al

-vs-

ARAKI Sadao, et al

SWORN DEPOSITION

Deponent : HASUMI, Yasushi

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:

In July 1929 I, Yasushi Hasumi, was appointed Chief of the Rice and Barley Section of the Ministry of Agriculture and Forestry. In 1932 I was appointed Director of the Rice Bureau and in May 1939 Vice-Minister of the same ministry. I resigned as Vice-Minister in August 1940.

The food problem of our country is how to provide food for the home population.

Initially, the supply question depends upon crops which are affected by natural forces and this is extremely important in Japan. Either good or bad harvest take place every year, and in case of continuous good harvests some surplus products may be obtained temporarily. On the contrary, if bad harvests should continue a great shortage may result. But, as a whole, in order to support a large population within a small narrow territory, it is quite necessary to do the best to provide the necessities by increasing the production as far as possible, and at the same time to import the portion of shortage from abroad.

Reflecting on past years' conditions, our government has paid great attention concerning agricultural problems as follows: The improvement of qualities of seeds, the improvement of selfsupply manure, the investigation of manuring, the prevention from ill or injurious insects, the technical improvement so as to prevent damages from snow or dry weather, the protection and the encouragement for improvement or enlargement of farming plantations, the encouragement of production according to the maintenance of price of farm products and so forth.

Area of Readjustment for arable lands since Showa 1 (1926)

| | | |
|----------------|---------|-----|
| Showa 1 (1926) | 374,692 | cho |
| 2 (1927) | 407,945 | cho |
| 3 (1928) | 429,650 | cho |
| 4 (1929) | 453,538 | cho |
| 5 (1930) | 480,506 | cho |
| 6 (1931) | 500,342 | cho |
| 7 (1932) | 525,239 | cho |
| 8 (1933) | 549,399 | cho |
| 9 (1934) | 572,406 | cho |
| 10 (1935) | 603,021 | cho |
| 11 (1936) | 626,755 | cho |
| 12 (1937) | 652,431 | cho |
| 13 (1938) | 674,751 | cho |

Def. Doc. 1955

Taken from "Outline of Arable-Land-Enlargement Improvement Enterprise", published in February 1940, by the Agricultural Administrative Bureau of the Ministry of Agriculture and Forestry

The Reclamation Assistance Law was promulgated in Taisho 8 (1919) and the government tried improvements by reclamation-by-dumping, reclamation-by-drainage, land reclamation, and so on, and by delivering subsidies in order to encourage the above enterprises. The results since Showa 1 (1926) are as follows:

| Year | Reclaimed rice-field | Reclaimed farm | Total |
|----------------|----------------------|----------------|------------|
| Showa 1 (1926) | 9,113 cho | 2,211 cho | 11,324 cho |
| 2 (1927) | 5,448 | 1,968 | 7,416 |
| 3 (1928) | 3,589 | 1,085 | 4,674 |
| 4 (1929) | 4,044 | 1,299 | 5,343 |
| 5 (1930) | 3,598 | 2,186 | 5,784 |
| 6 (1931) | 4,421 | 2,802 | 7,223 |
| 7 (1932) | 6,154 | 5,182 | 11,336 |
| 8 (1933) | 6,235 | 6,846 | 13,081 |
| 9 (1934) | 5,542 | 5,764 | 11,306 |
| 10 (1935) | 1,921 | 1,186 | 3,107 |
| 11 (1936) | 1,513 | 1,201 | 2,714 |
| 12 (1937) | 1,023 | 1,012 | 2,035 |
| 13 (1938) | 1,736 | 11,700 | 13,436 |
| 14 (1939) | 3,687 | 8,853 | 12,540 |
| 15 (1940) | 7,188 | 16,939 | 24,127 |
| 16 (1941) | 10,895 | 14,406 | 25,301 |
| 17 (1942) | 9,401 | 17,087 | 26,488 |
| 18 (1943) | 9,202 | 11,822 | 21,024 |
| 19 (1944) | 9,530 | 33,283 | 42,813 |
| 20 (1945) | 5,333 | 120,538 | 126,871 |
| 21 (1946) | 9,216 | 112,394 | 121,610 |

Taken from the statistic of the Reclamation Section of the Ministry of Agriculture and Forestry.

In July 1927, in accordance with Imperial Order No. 222, the Cabinet appointed a Food and Population Investigation Committee and according to its investigation the shortage of food supply at that time was 4,332,400-koku of rice and 5,351,300-koku of wheat and that will probably become in 1952 (30 years after that time) 13,359,000-koku of rice and 14,253,400-koku of wheat; by this fact it is quite clear the mean shortage of food supply was enormous.

For these 30 years, though every possible effort might be paid to increase crops and a great deal of cereal might be brought in from Korea and Formosa, it was presumed to be a shortage of more than 1,000,000-koku of rice.

For instance, referring to the relation of our food supply since 1927, it will be understood that the sum of transfer and importation from outside of Japan proper every year amounted nearly 12,000,000 -- 13,000,000 koku.

Reference, Table for total of transfer and import.

Transfer and Import of Rice since Showa 2

| Year | Import | Transfer from Korea | Transfer from Formosa | Total |
|-------------------|----------------|------------------------|--------------------------|-----------------|
| Showa 2 (1927) | 4,128,785 koku | 5,903,248 koku | 2,637,899 koku | 12,670,239 koku |
| (1928) | 1,753,001 | 7,068,709 | 2,430,569 | 11,255,519 |
| (1929) | 1,277,748 | 5,377,978 | 2,253,232 | 8,909,410 |
| (1930) | 1,248,444 | 5,167,015 | 2,185,424 | 8,602,411 |
| (1931) | 829,640 | 7,992,275 | 2,698,701 | 11,521,639 |
| (1932) | 984,870 | 7,198,331 | 3,418,821 | 11,603,648 |
| (1933) | 998,160 | 7,531,891 | 4,216,824 | 12,747,707 |
| (1934) | 171,233 | 8,952,694 | 5,123,783 | 14,249,293 |
| (1935) | 70,789 | 8,434,847 | 4,511,390 | 13,018,304 |
| (1936) | 398,261 | 8,970,553 | 4,823,966 | 14,193,957 |
| (1937) | 287,498 | 6,736,185 | 4,855,642 | 11,879,325 |
| (1938) | 151,369 | 10,149,040 | 4,970,968 | 15,271,377 |
| (1939) | 156,494 | 5,690,162 | 3,962,495 | 9,809,170 |
| (1940) | 7,987,048 | 394,549 | 2,784,190 | 11,165,806 |
| (1941) | 9,827,288 | 3,305,912 | 1,969,677 | 15,102,877 |
| (1942) | 8,743,924 | 5,235,299 | 1,701,921 | 15,681,144 |
| (1943) | 5,588,300 | | 1,638,219 | 7,226,519 |

(Any discrepancy in the total figures is due to the inclusion of amounts re-imported as surplus exported regims. Statistics of 1927-1939 was taken from "Outline of Food Supply", published by the Bureau of Food Control of the Ministry of Agriculture and Forestry, and "Outline of Rice Supply", published by the Rice Bureau of the Ministry of Agriculture and Forestry. Statistics from 1940-1943 was taken from Survey by Food Control Bureau of the Ministry of Agriculture and Forestry.)

Then next, the price of rice must be considered.

Index number of the price of rice always goes higher than that of commodities, and the following table shows that the cost ratio of the price of rice is about over 10% higher. This also indicates the supply of rice is likely to be scarce.

Index number of price of rice, commodity,
and cost ratio of rice

| <u>Year</u> | <u>Price of rice</u> | <u>Price of commodities</u> | <u>Cost ratio of rice</u> |
|----------------|--------------------------|---------------------------------|-------------------------------|
| Showa 2 (1927) | 302.83 | 225.15 | 1.345 |
| 3 (1928) | 265.17 | 224.97 | 1.179 |
| 4 (1929) | 246.00 | 223.39 | 1.102 |
| 5 (1930) | 230.92 | 188.73 | 1.226 |
| 6 (1931) | 155.50 | 155.13 | 1.004 |
| 7 (1932) | 174.75 | 155.68 | 1.125 |
| 8 (1933) | 181.08 | 180.17 | 1.005 |
| 9 (1934) | 209.83 | 176.98 | 1.185 |
| 10 (1935) | 251.92 | 183.52 | 1.373 |
| 11 (1936) | 258.50 | 194.74 | 1.327 |
| 12 (1937) | 267.50 | 233.15 | 1.148 |
| 13 (1938) | 293.33 | 248.78 | 1.179 |
| 14 (1939) | 311.33 | 268.81 | 1.159 |
| 15 (1940) | 374.42 | 310.45 | 1.206 |
| 16 (1941) | 375.00 | 324.38 | 1.155 |
| 17 (1942) | 378.00 | 352.66 | 1.072 |
| 18 (1943) | 385.00 | 371.19 | 1.037 |
| 19 (1944) | 410.08 | 410.68 | 1.000 |
| 20 (1945) | 408.50 | 496.52 | .830 |

(This table was made by the investigation of the Nippon Bank, according to the index number of standard wholesale prices in Tokyo in October 1900 (Meiji 33), and the cost ratio of rice denotes index number of price of rice divided by index number of price of commodities.)

In order to maintain the production of cereal, all the laws since the Cereal Law were passed with the purpose of guaranteeing the cost of reproduction, considering the standard of adjustment for the cost of production of agricultures.

The Cereal Law Article 5 (amended by Law 31, 31 March, Showa 6 --- 1931) is as follows:

"The lowest or the highest price, regulated by the above Article, shall be settled by the government according to the following items:

produced cost of cereal
domestic expense
calculated price, according to the tendency
of the ratio of index number of the price of
rice against that of commodities."

The Control Law for Cereal Article 2 (Law 34, 29 March, Showa 8 -- 1933) is as follows:

"The government shall settle and announce the lowest and highest price of cereal every year according to the regulation of the Imperial Order,

The above lowest and highest prices shall be settled according to produced cost of cereal, domestic expense, prices of commodities and other economic conditions."

Def. Doc. No. 1955

Food Control Law Article 3 (Law 40, 21 Feb. Showa 17 -- 1942.) is as follows:

"Producers of rice, barley, rye or wheat (afterwards from now they are called briefly rice and wheat), or those who have the right of farms and get them as farm-rents, shall have to sell to the government some amount produced rice and wheat or of that got as farm-rents, by the government order.

The buying prices of the government, regulated in the above clause, shall be settled by the regulation of the Imperial Order, according to produced cost, prices of commodities and other economical conditions."

The above explanation tells the fact that the food production in our country has been always lack of supply equal to her demand. Accordingly, our government has made great efforts for the improvement of agriculture, the improvement and enlargement of farms, the guarantee of farmers' reproduction costs by maintaining of the price of rice, main food in Japan, and so forth, and the government has obtained good results.

Nevertheless, in spite of the government's great efforts for many years, the sufficient food production to feed our large population has not been successful.

Therefore the amount of shortage has been brought in from Korea and Formosa, as well as imported from abroad every year to supply the demand.

The latest problem of food shortage has become more important under the circumstance of the continuous dry weather in Japan proper and Korea in 1939.

The standard highest price of rice, regulated by the Control Law for Cereal, in December 1938, has been kept at the same price as that of the preceding year according to the low price policy, so that the appearance of cereal in markets became worse. Then, in 1939, the damage by draught in Japan proper created a shortage of the crops of rice. In addition to this the great draught in Korea decreased the supply more and more.

In order to moderate this condition the government raised the standard highest price of rice to 38 yen on 25 August 1939. Nevertheless, as the influence of the draught became apparent and the supply condition did not improve, then the government made an effort by raising again the standard highest price of rice on 1940 for the rice year (beginning of November of preceding year, ending of October) to 43 yen, 5 yen higher than the former price, commencing of the rice year, on 6 November 1939. But it was reported that the production in Korea might be 10,000,000 koku, less as the production in 1939 would be 14,078,842 koku and that of the preceding year was 23,484,867 koku. Furthermore, the consumption in Korea itself was gradually increasing, resulting in a great decrease of supply from there, thus the extreme shortage of food in Japan proper became serious.

Under this condition, the only way to increase food supply was to import from abroad, but as some public opinion was that Japan had to adjust food supply by saving expenses on the one hand, an import plan through the cereal fiscal year was not fixed owing to the financial condition of the import fund. On the other hand, it was necessary to supply cereal by importing some portion divided into several periods through the fiscal year.

Def. Doc. No. 1955

At the commencement of this period import was going well. We were able to buy more rice than we expected within the prepared fund, but as the government had announced the import plan officially from the viewpoint of stabilization of people's mind, it resulted in exciting the selling countries who raised the price of rice so much, and we needed more money. Moreover, the shortage of shipping increased difficulty also upon importing.

In spite of our efforts to import cereal, it had become more and more difficult as time elapsed.

On this 28th day of July, 1947

At Tokyo

DEPONENT HASUMI Yasushi (Seal)

I, Takano Tsuruo, 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 Tokyo

Witness: /s/ Takano Tsuruo (seal)

O A T H

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

HASUMI Yasushi (seal)