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THE ASST. SECRETARY OF WAR
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WAR DEPT.

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MINISTER FOR FOREIGN AFFAIRS
REPUBLIC OF CHINA

March 6, 1942



Dear Mr. McCloy:

I am enclosing a copy of a letter from the Chinese Consul in Los Angeles, which may be of interest to you.

I would appreciate any suggestions which you may have for overcoming the difficulties mentioned in this letter.

Yours sincerely,

T. V. Soong

Mr. John J. McCloy
Assistant Secretary of War
Munitions Building
Washington, D. C.

3-6-42

March 4, 1942

His Excellency Dr. T.V. Soong
Minister for Foreign Affairs
1601 V Street, N.W.
Washington, D.C.

Dear Mr. Minister:

I beg to acknowledge respectfully the receipt of your letter of February 25th concerning the request of the Chinese Consolidated Benevolent Association of Los Angeles for your financial backing in their project to take over the farming enterprise about to be relinquished by the Japanese following their expulsion. Pending the completion of a thorough investigation, I am unable, at this time, to submit a comprehensive report covering the various specific points raised in your letter. However, I should like to present the following facts relative to the case, as it stands now.

According to my knowledge, 2/3 of the agricultural land in the Los Angeles County - over 25,000 acres - have been leased to the Japanese farmers whose products in vegetables and fruits constitute the principal supply for the city. If a wholesale evacuation of the Japanese should be ordered - which by the way is still pending so far as the Japanese farmers are concerned, - ways must be provided to insure the continued flow of such supplies. As a precautionary measure, the Defense Council of the Los County has recently appointed an Agricultural Co-ordinator with a view to securing new tenants for this farming enterprise. Accordingly the co-ordinator approached the Chinese colony for information regarding the feasibility of obtaining Chinese farmers.

(a) Two weeks ago, the Chinese colony called a meeting to consider the plan. At once, we felt there were several difficulties in our way. In the first place, we did not possess sufficient manpower to handle such a big enterprise. On the other hand, it was pointed out that we Chinese could play the role as a manager with a host of Filipinos employed to work under us. This scheme has been proved workable by many of our successful farmers here. But under any circumstances, we need financial backing in such an undertaking.

(b) Regarding the legal problems, my preliminary investigation discloses that most of the Japanese farmers obtain their farming land from American owners under contractual leases which are still in force. As regards the transfer, the Agricultural Co-ordinator has no right to dissolve any existing leases which must be readjusted through legal means between the landlord and Japanese tenants on the one hand; and the landlord and the new Chinese tenant on the other. However, such complications may in due course be eliminated after the appointment of the Custodian of Enemy Property.

Furthermore in 1920 the California State passed a law to the effect that only American citizens are eligible to lease agricultural land. This requirement will apply to the Chinese in the present case. I imagine there are legal ways to get around the difficulty.

(c) Up to now, there is no organization formed by the Chinese colony to handle this matter. In the absence thereof, naturally the Chinese Consolidated Benevolent Association assumes the responsibility of obtaining and transmitting information.

(d) With reference to capital investment, I have no precise information to report. But from what I have gathered, I may say that the average rent for the farming land ranges from \$15 to \$20 per acre per annum. It

will take about \$100 to operate an acre of land taking into account the necessary expenditures in equipment, fertilizer, water supply, etc. Since there is yet no standing organization to formulate any comprehensive plans, the question of required capital has not been threshed out. No doubt, there are many Chinese individuals who are eager and competent to take advantage of this opportunity for a profitable undertaking. If such worthy cases arise, I shall take the liberty of submitting reports to you for your consideration.

There are enclosed a copy of bulletin issued by the Agricultural Coordinator and newspaper clippings on the matter which I trust may be of interest to you.

We all are greatly encouraged to know of your interest in our welfare. May I take this opportunity to tender to you our gratitude and respects in which the Chinese colony joins me.

Respectfully yours,

T.K. Chang

encls.