

OCD 29/11

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CENTRAL INTELLIGENCE AGENCY

REPORT NO. [ ]

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INFORMATION REPORT

CD NO.

INTELLOFAX 15

COUNTRY Japan

DATE DISTR. 18 October 1951

SUBJECT Activities of SASAGAWA Ryoichi

NO. OF PAGES

REFERENCE COPY

NO. OF ENCLS. (LISTED BELOW)

(b)(1)

(b)(3)

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1. SASAGAWA Ryoichi, (笹川良一), age 52, purges and former head of the Nationalist League (Kokusui Domei), is increasing his political and financial activities. Since the war, SASAGAWA has been closely connected with KODAMA Yoshio, who amassed a fortune in Shanghai during the war as procurement agent for the Japanese Navy. KODAMA's post-war dealings in Tokyo earned him the reputation of a big-time "operator" not averse to illegal methods. SASAGAWA is KODAMA's "political adviser."
2. SASAGAWA, with the backing of KODAMA, SUGI Michisuke, Chairman of the Osaka Chamber of Commerce, and other Tokyo and Kansai financiers, founded in 1951 an enterprise called the International Racing Boat Industrial Company (Kokusai Kyotei Kogyo K.K.). The purpose of the company is to promote motor-boat racing events, and to construct, store and repair boats for entrants. President of the Board of Directors of the new company SHIKAKURA Yoshiji (鹿倉吉次) formerly was the managing director of the Mainichi Shimbun and presently is the managing director of Radio Tokyo. The company was founded with the thought that the project would be potentially valuable to national defense. Former Kamikaze pilots and Naval Academy graduates are to be trained to operate the boats. Unemployed veterans will be given priority for jobs as mechanics, etc. With this training they could serve as coastal defense forces in an emergency. For this reason the company is receiving strong support from right wing organizations and former army and navy groups.
3. SASAGAWA, is grooming MATSUOKA Sanji, (松岡三次) a long-time follower, for the Diet elections which SASAGAWA believes will take place next spring. An admirer of SASAGAWA calls MATSUOKA a man of great courage who will stand out from the post-war members of the Diet and who will act with true patriotic spirit, serving as a good influence on Diet members tainted with material greed. SASAGAWA believes that, even if he is not depurged, after the peace treaty the purges' sphere of political activity will widen considerably. Furthermore, the purges although they may not be allowed to run as candidates themselves, will regain the confidence of the people immediately. Therefore, SASAGAWA is of the opinion that he will be able to put MATSUOKA in the Diet.
4. SASAGAWA is also the figure behind RYOGE Iwao (伊賀野矢), president of the

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Document No. 017

No Change in Class.

Declassified

Class. Changed To: TS S C

Auth.: HR 70-2

Date: 29/05/75 By: 029

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Kokufu Kai (國風會), an ultra-nationalist organization in Osaka with no more than 100 members. RYOGE was a former director of the Nationalist League. After the war he assisted SASAGAWA in his business enterprises, worked on the publication of the Anti-Communist Newspaper (Hankyo Shimbun) and served as a go-between for SASAGAWA and KODAMA Yoshio. While SASAGAWA was in Sugamo Prison as a suspected war criminal, RYOGE fasted publicly as a protest against arguments to abolish the Emperor system. RYOGE moved with SASAGAWA, upon the latter's release, to the Kansai where he is now living in Takatsuki City.

5. The Kokufu Kai, and by implication SASAGAWA, advocates restoration of Imperial rule with appropriate revisions in the constitution, release of all purgees, rearmament, and restoration of the Japanese spirit which has been ruined by the Americanization policies of the Occupation Forces. The party's hopes are expressed by one of its members as follows:

" The public is rapidly losing confidence in the Socialist, Communist and even the Liberal parties. They are becoming antagonistic to party politics which consists of winning elections by the use of money. The people desire a true friend. This cry is answered by our right-wing organization. We are called right-wing but we are the organization which truly loves Japan and will save it."

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