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Millionaire's Mission

By Liz Nakahara

It happened more than 40 years ago, but he still can't believe it. The words stride into a gallop, the voice rings with astonishment as multimillionaire Kay Sugahara recounts the incident.

"Some Okies and Arkies, who had moved from the Midwest to the Salt River Valley near Phoenix, were throwing bombs because they wanted to get rid of their Japanese-American neighbors, whom they saw as off-the-boat-yesterday foreigners. I was president of the Los Angeles branch of the Japanese-American Citizens League, so I went to Phoenix to help investigate the problem.

"A representative of the Japanese-government and I found out the Japanese-Americans had lived in the area 50 years and had helped build the streetcar system. The people incensed by 'foreigners' had lived in the area only two years."

When the mayor asked, "How come I never see these people?" Sugahara could only say, "Until some body welcomes you, you're a little timid and stick to your own community."

The 40-year-old incident fuels Sugahara's most recent ambition: to dislodge Asian-Americans from "psychological ghettos" so they may publicly take credit for their accomplishments. But Sugahara himself hasn't bowed on a national stage even though he twice rose from poverty to millionaire status, leaving behind menial labor to become an oil giant sometimes called the "Nisei Onassis" by fellow second-generation Japanese-Americans.

Sugahara, relaxed on a cushioned wooden chair in the Presidential Suite of the Hyatt Regency, is 72 but looks 15 years younger. He was in town last weekend to help present young Asian-Americans with achievement awards hearing his name.

As was the Greek Onassis, Sugahara is short in stature and stocky in build. But as Onassis never did, Sugahara shuns the limelight. He says this is not the result of Japanese upbringing, exemplified by the proverb, "The nail that sticks out gets hit," but ironically because of his background in American intelligence during World War II. "By remaining anonymous," he says, "I'm not subject to attack."

Born in Seattle to immigrant parents of modest means, he was the second child of Keiichi Sugahara, a descendant of samurai, the warrior class of Japan. "My father was from Sendai, in the northern part of the main island," Sugahara says. "Northern Japanese supposedly make poor businessmen" because samurai ethics don't uphold money or eloquence. "The samurai thought money was dirty and wrapped it when passing it to each other." Because of religious influence, "a hig hero was not a big talker."

If reared by his storekeeper father, Sugahara probably wouldn't have won oratorical contests in high school, made his first million at 29 and loudly protested, in a radio editorial on a Los Angeles station, the relocation of Japanese-Americans during World War II.

"I might have inherited a fruit stand or dry cleaner's," he says, "if I hadn't heen orphaned when I was

Sugahara's mother died at 26 after bearing five children. His father, before he died, gave him two pieces of advice: Go to college and don't get married until you're 25. All five children got married at 25 and graduated from the University of California at Los Angeles.

"Adversity is the gateway to success," says Sugahara, who grew up in a Methodist mission, where he had little contact with other Japanese-Americans. "I was in a competitive atmosphere. My approach to everything is Christian."

After working his way through school by stacking oranges in a fruit stand for \$15 a week, Sugahara became a broker who cleared goods through customs for Japanese-American merchants.

When first-generation immigrants, forbidden by law from owning property, wanted to acquire real estate, Sugahara used their money and made the purchases himself, holding the property in trust for the immigrants' American-born children. He also was a consultant to shippers sending merchandise to Asia.

"I was unprepared for war astounded that Japan would tackle the United States," recalls Sugahara. "I didn't read the papers carefully, I read the sports and comics sections."

"Everybody was taking out war risk insurance, which was 100 percent. I was shipping merchandise to Shanghai, but didn't take out insurance. When war broke out, I lost a small fortune."

Sugahara lost everything when he was interned by the U.S. government. He was relocated with his wife, Yone, and three sons at Santa Anita race track. "We had been living in a 14-room house, then we were put in a one-room stable where horses had slept," he says. "That's not what you call class A."

Sugahara and others were ordered to camouflage buildings by covering them with colored gunnysacks. "I think it's a little ironic," he says with a chuckle, "that we were feared as disloyal, but expected to work on a camouflage project to protect the U.S. Army."

The Sugaharas later were relocated in Amache, Colo., and New Rochelle, N.Y. During the war, military scouts recruited bilingual internees to serve as interpreters and propagandists. Unable to speak Japanese, Sugahara decided to work on a propaganda project in India with the Office of Strategic Service (OSS)