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AIR

FJBA- 6255

16 AUG 1955

Chief, FE

Chief of () Base, ()

INFO: Chief of Station, []

Operational

PODAM, () and Identity A.

REFERENCE: DIR 17226

1. At the present time pressures concerning Identity A's proposed trip to the United States are lightened for the following reasons:

A. Identity A has been requested by Identity B to remain in Tokyo until Identity B's return in late September. Upon his return, according to Identity B, a government re-shuffle will take place in which Identity A will retain his present position. Following this, Identity A will proceed to the United States with a firmer status. (An unconfirmed report indicates that Identity A may proceed to the United States to visit Washington coincidentally with Identity B's visit.)

B. As reported in FJB-1534, PODAM is expected in the government re-shuffle to receive a new position which will prevent him from actively pursuing his commercial venture. () however, will remain actively interested in it.

2. In view of the above, we are moving ahead to facilitate Identity A's trip probably in October of this year. We have procured locally information on a number of suitable conferences which will take place in the United States during the remainder of 1955, and will pass this information to () and PODAM. They in turn, through their own means, can arrange for an appropriate invitation for Identity A. () meanwhile has undertaken to provide Identity A with a list of names of people whom Identity A should contact in the United States (see enclosures).

3. JABA wishes to comment as follows on Reference:

A. Regarding Paragraph 1, we are somewhat at a loss to understand OSACID's reaction. () on a number of occasions has stated his view that

NAZI WAR CRIMES DISCLOSURE ACT

COPY: 1157

EXEMPTIONS Section 3(b)

- (2)(A) Privacy
- (2)(E) Methods/Sources
- (2)(C) Foreign Relations

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Date: 2005

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Identity A is a good and worthy friend of ODACID and should be assisted in his personal plans in any way possible. His attitude confirms JABA's belief that diplomatic courtesies to help individuals of Identity A's rank in unofficial ways would cause far less embarrassment to ODACID than refusal to extend such help. Further, a substantial number of unofficial Japanese trips to the United States are already scheduled to coincide with the Foreign Minister's trip.

B. Regarding Paragraph 2 of Reference, JABA realizes that no official intervention in PODAM's commercial venture is called for, nor is it necessary insofar as ODEARU has already officially approved the venture. JABA is interested in the unofficial aspect, in that the derivative benefits to KUCAGE in the WBSIRIN and WSCPEAR fields appear substantial.

C. Regarding Paragraph 4 of Reference:

(1) We have, in effect, been involved in ODACID channels from the beginning from the very nature of () cover. The most unfortunate development which introduced the direct involvement of () was the result of KUBARK's failure to produce the required support.

(2) The statement that KUBARK's role should be restricted to the Japan scene is not clearly understood, in that:

(a) Headquarters has encouraged JABA to become involved in or be concerned in operations from Bandung to London, and

(b) The United States ideological program involves KUBARK in programs for the sending of leading individuals to the United States.

We request clarification regarding the restriction of JABA activities to the Japan scene.

D. As for the remainder of Reference, a number of points come to mind: PODAM owns or controls: (a) a press read by over five million Japanese, (b) a radio-TV network the audience of which is estimated to be well in excess of one million, (c) a leading newsworld facility. In addition, PODAM, already an outstanding leader in the business world, bids fair to become a major factor in the political and governmental world of Japan. He is, therefore, a person of some interest. We have spent much time discussing means whereby JABA could interest him in cooperative ventures. Money is of no consequence; he has money. In a real sense, the whole of Japan is his oyster; we can offer him nothing in his own province. Therefore, his only interest in KUBARK is in what it can do for him vis-a-vis his needs in FBPRIME or from PBPRIME (e.g., the Identity C trip to Japan). If we are able to demonstrate ability to procure for him what he cannot procure for himself (within the limits of OUTCOKE interest and

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compatibility), then, and only then, can we sit down with him and discuss "operational opportunities which can lead to concrete results for KUBARK". This is JABA's only interest in FODAM's commercial venture. Our sole purpose has been to determine if we should help him, and then do what we could to help him, following which we would exploit in the concrete terms of our Related Mission Directive what cooperation we could best ask of him. In this context, Identity A was simply a useful piece on the board.

E. However, we stood (and we hope still stand) to gain doubly by Identity A's involvement. Identity A is a person of high interest in the context of JABA's proposed WSSPEAR program (see FJBA-5869). The implication of his position hardly needs to be spelled out, yet because JABA has as yet no specific WSSPEAR authority, we cannot now venture into a discussion with Identity A of "operational opportunities which can lead to concrete results". Our desire, through talks and favors, is to develop an asset for WSSPEAR, an asset which might be quickly and specifically activated if and when WSSPEAR authority is granted.

4. In passing, we wish to note that in addition to () regular contacts with Identity A, () who had met Identity A as () secretary, frequently sees Identity A, and has been requested by him to act as his secretary in writing letters in English.

5. JABA has felt from the cable traffic on this subject that there was a less than full understanding between Headquarters and the field. It is hoped that this dispatch will clarify the field's position. Headquarters' comments are invited.

6. The following enclosures are attached under separate cover:

- A. Letter to () by Identity D.
- B. Memorandum of Conversation of 18 July 1955 between () and ()
- C. Letter from () to () dated 29 July 1955.
- D. List of individuals whom () should contact in the United States, provided by ()

()
Acting Deputy/KUCAGE

Enclosures:

- A, B, C, and D as listed above.
- E. Identities

11 August 1955

Distributions:

- 4 - Chief, FE w/encls. s/c
- 1 - Chief of Station, () w/encls. s/c

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Attachment E

to FBI- 6255

IDENTITIES:

- A. []
- B. KONO Ichiro, Minister of Forestry and Agriculture
- C. John J. Hopkins
- D. HOSONO Gunji

SECRET

Chas. F. FE
Vice President, General
Assignment 2 to 1934-

6255

NEW YORK

Warren Lee Pierson,
Chairman of the Board, TWA, Inc.
New York

James A. MacKay
Vice President, First National City Bank
New York

Alfred E. Schmecker
Vice President, Chase Manhattan Bank
New York

F. F. Hartman
Vice President, Irving Trust Co.
New York

Judge Justin Miller
Chairman of the Board,
National Association of Radio and TV Broadcasters,
New York

Mr. Seymour Siegal,
Manager of Radio Station WNYC,
New York

Mr. Joseph L. Johnson,
President, Carnegie Endowment
for International Peace,
New York

Mr. Edward Barrett
Public Relations Consultant
New York

Mr. George S. Franklin, Jr.
Council on Foreign Relations
New York

WASHINGTON, D.C.

Eric A. Johnston,
President, Motion Picture Association of America,
Washington, D.C.

Loring K. Macy,
Director, Bureau of Foreign Commerce,
Department of Commerce,
Washington, D.C.

Mr. Jack Foppale
Chief, IRS,
U.S. Information Agency
Washington, D.C.

(Head of Agency's VOA - is a man
with broad background in
communications.)

CALIFORNIA

San Francisco Area

Russel G. Smith,
Executive Vice President, Bank of America,
San Francisco.

Brayton Wilbur
President, Wilbur Ellis Co.
San Francisco.

Dr. Claude Buss,
Stanford University,
Palo Alto

(Ex-FSO and Far East Expert)

Harold Fisher :
Euston Bethwell : Stanford University,
Eugene Staley : Palo Alto.

Los Angeles Area

Dr. Ross Berkes : University of Southern
Dr. Roger Swearingen : California

William Miller,
Toon Hall,
Los Angeles

Raymond B. Allen,
President, U.C.L.A.
Los Angeles

Dr. Arthur Coons,
President, Occidental College,
Los Angeles

SEATTLE, WASHINGTON

Ex-Mayor Deven,
Seattle.

(Very interested in promoting Japanese-
American trade. Has visited Japan.)

Ewen Dingwall,
Special Representative of
Trade and Commerce Promotion Council,
Seattle.

(Formerly Assistant to Deven)

Griffith Way,
Attorney,
Seattle.

(Member of Junior Chamber of Commerce,
Interested in Pacific relations. Speaks
Japanese and was in Japan recently.)

Herbert S. Little,
Attorney,
Seattle.

(Interested in Japanese-American relations.)

DENVER, COLORADO

Mr. Ben Cherrington,
Chief of the Denver Office of the Institute of International Education,
1605 Pennsylvania St.
Denver.

Mr. Randolph Gould,
Special writer on the Denver Post,
Denver.

Mr. James Allen,
Professor of History,
University of Colorado,
Boulder. (30 miles from Denver)

Mrs. Ernest B. Fowler
1200 St. Paul Street,
Denver.

(Church group)

Bill Hosokarra
Nisei Editor in Chief,
Denver Post's weekly "Empire Magazine",
Denver Post,
Denver.

Chief, FE
Under Separate Cover
Attachment C to FJBA- 6255

COPY

~~OFFICIAL-INTERNAL~~
~~CONFIDENTIAL~~

American Embassy,
Tokyo, Japan.

July 29, 1955

Dear Bob:

I enclose copies of a memorandum of conversation and some correspondence relating to a proposed unofficial visit to the States by our old friend, Takechiyo Matsuda, who is now Minister of Postal Service. You may recall that he has been a good friend of the Embassy and was on particularly cordial terms with Bill Leonhart, who has probably already heard from him directly about his plans. Matsuda is also being assisted in his plans by Gunji Hosono, a copy of whose letter to me is also enclosed.

Latest developments are that Hosono has secured written invitations to Matsuda from Thomas A. P. Krock, of the U. S. Arab-Asian Institute, 1536 Connecticut Avenue, and Harold Fellows, of the National Association of Radio and TV Broadcasters, 1771 N Street. I assume therefore that these organizations will also be in the act when it comes to arranging itinerary, conferences, etc. Another late development is that Matsuda has postponed his trip about two months, which means that he may be turning up in late October instead of late August.

I don't think Matsuda's English is good enough to justify speaking engagements but there should be quite a number of people who would be glad to talk with him privately or in small groups.

I understand that Andy Kerr has written one or two people in Commerce about names of persons Matsuda might talk to on his more purely business interests such as frozen shrimp.

We will of course keep you informed of developments.

This is the first chance I have had to thank you for your letter of June 14th. It was indeed a great pleasure to have you out here.

Sincerely,

Enclosures:

Memo dtd 7/18/55.
cy ltr 7/15/55 from
Dr. Hosono.
cc ltr 7/28/55 to Mr. Matsuda.

George A. Morgan,
Counselor of Embassy.

Robert J. G. McClurkin, Esquire,
Director, Office of Northeast Asian Affairs,
Department of State,
Washington, D.C.

GAMorgan/gr

COPY

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Chief, FE
Under Separate Cover
Attachment B to NJRA-6255

Tokyo, July 18, 1955

MEMORANDUM OF CONVERSATION

PARTICIPANTS: Mr. Takechiyo MATSUDA, Minister for Postal Affairs

George A. Morgan

DATE: July 16, 1955

I saw MATSUDA alone for lunch at his request. We talked on the following topics:

1. Matsuda's trip to the United States.

Matsuda told me he planned about a month's trip around the States, leaving probably in late August. I took occasion to comment on the recent rash of press stories about high level trips to Washington and said that they might prove embarrassing if the dates were not agreed on privately first. Matsuda expressed annoyance at the story about his own proposed trip in that morning's Mainichi and went on to explain that his trip was not to be an "official" trip in the sense of expecting high level protocol treatment, etc. He merely wanted to travel around the country and talk to Americans, especially Congressmen. Incidentally, he would be interested in promoting markets for Japanese products (he mentioned frozen shrimp and photographic instruments), and would look into the value of a microwave system of communications for Japan. He gave the impression that his main emphasis in talking to Congressmen would be to explain Hatoyama's foreign policy and try to correct the impression that it is pro-communist.

Matsuda mentioned that his daughter is pursuing her studies on the West Coast and that he might want to pick her up and take her around the country with him as his secretary.

Matsuda asked me if the Embassy could help him out with a list of names of persons he should see in America. (He mentioned that Gunji HOSONO, who made an extensive trip to the States about a year ago, had also agreed to give him a list of names.) I told Matsuda that he had been a good friend of ours and that I would be glad to do my best for him.

2. Other Possible Trips to the United States.

I asked Matsuda about others who might be going to the States more officially. He said that Hatoyama had a hankering to go because he thought he might have to retire and that this might be a graceful way out. Matsuda said, however, that he was going to advise Hatoyama not to make the trip — not because of his health which is "all right", but because he is so crippled that it would be impossible for him to get around

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adequately and Matsuda does not think that a visit by Hatoyama to America would do Japan much good. (It was not clear whether this was based entirely on his crippled condition or on other considerations as well.) Matsuda seemed to think it probable that KONO would return through the States, but he thought it doubtful whether SHIGEMITSU would succeed in going because of the uncertain political situation.

3. Merger Prospects.

Matsuda thought it doubtful whether there would be a special session of the Diet this fall. (Only extraordinary floods or other catastrophes, now unpredictable, would lead to a special session.) In any case he thought the Conservative merger would not finally take place until late winter or spring. He predicted that Hatoyama would remain as Prime Minister and form "the third Hatoyama Cabinet" after the merger had taken place.

4. Who Influences Hatoyama?

I asked Matsuda who were the persons who in fact exercised the most influence over Hatoyama. "First of all, Bukichi MIKI," he replied, "his presence Hatoyama is like a little child." Matsuda mentioned Kono as another of the most influential, then modestly mentioned himself as having been able to persuade Hatoyama to take one major step (which made possible the merger of Hatoyama Liberals and Progressives last year) when Miki and Kono had failed.

5. Matsuda's Independent Position.

Matsuda described himself as 67 years old, in perfect health, no pressing family ties (his wife lives somewhere else, his daughter is learning a profession in America), no political debts or ambitions. He noted that he had been elected to the Diet from his district for many years, but said he told the electorate each time frankly what he stood for and merely invited them to elect someone else if they didn't like it. He remarked that his proposed trip to America would be the first in 18 years, and he would be interested to see if there had been major changes. I was struck by curious opaque spots in his understanding of English: superficially he speaks and understands better than most Japanese we deal with outside the Foreign Office, but again and again I would discover that he had completely failed to understand something I had said and we would have to go back and start over again.

GAMorgan/gr

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COPY

See Separate Cover
Brief, FE
Attachment A to FIBA- 6255

JAPAN INSTITUTE OF FOREIGN AFFAIRS, INC.

C.P.O. Box 301 Tokyo, Japan

Suzaya House 12, Iikurakata-
nachi
Azabu, Minato-ku, Tokyo

July 15, 1955

Mr. George A. Morgan
Counselor
American Embassy
Aoi-cho, Akasaka,
Minato-ku, Tokyo

Dear Mr. Morgan:

I am confidentially to inform you that our mutual friend Takechiyo Matsuda is planning to visit to the United States in the private capacity. While his trip is primarily to see his daughter studying at the University of Southern California in Los Angeles, he wishes to make this trip politically profitable. I am always in opinion that no one is better qualified than he in the task of explaining the political situation in Japan. I am therefore encouraging him to make such trip.

It is highly desirable that his trip should be entirely of private character and therefore I have already asked a friend of mine in Washington if he can find any organizations preferably those concerned radio and television which come under the jurisdiction of the Ministry of Postal Affairs, to sponsor such trip. With a result of this negotiation I would like to consult with you. Mr. Matsuda might have told you on this matter. Only I wish to make his trip not only possible but successful. I should be therefore grateful if you would give your moral support to this matter.

It take this opportunity of expressing my sincere gratitude for your personal efforts of inviting Fumi and myself to the Ambassador's reception on July 4th and I wish you to know that Mr. Bartz, Jr. and Dr. Picon of USIS are cooperating very closely with JIFA particularly in regard to our publication program. We appreciate greatly their invaluable advice and assistance to the work of the Institute.

With kindest regards to you, Mrs. Morgan and your daughter in which my wife joins me,

Sincerely yours,

/s/ Gunji Hosono
Gunji Hosono
Chairman
Board of Directors

P.S. I have also written about Matsuda's trip to William Leonhart. I look forward to see you sometime next week.