

Investments

Hedging Against Risk
With a Riskless
Investment

□ By Steve Kahookela

As most prudent investors know, investing in United States treasury securities is considered a "riskless" investment. That is, the risk that the U.S. government will not pay back your principal (and interest), and the risk that the government will "call" your securities due (and pay them off early) are almost nonexistent. On the contrary, the U.S. government only guarantees the principal amount, interest due, and maturity of a treasury security at its maturity date.

The U.S. government does not guarantee the market value of the treasury security if the security instrument is sold prior to maturity date. When interest rates rise, treasury bonds behave in the manner as other bonds—they fall in value. Thus, if overall interest rates rose by a full percentage point, a 30-year treasury bond would lose about ten percent of its value.

In order to hedge your investment in treasury securities against fluctuating interest rates, I would suggest the prudent investor follow a technique known as "laddering." In essence, while the 30-year (maturity period) treasury bond may have lost ten percent of its value during a period of interest rate increases, a seven year bond would only have lost about five percent. And, by purchasing a three year treasury note, you would have only lost about 3.3 percent of your note's value.

To implement a laddering strategy, an investor would have to have enough funds to purchase a series of treasury notes and bonds with a range of maturity dates (between one year and 30 years). Since some of your securities come due within a year or so, you will always have some money to reinvest if interest rates should rise, and other money "locked-in" at current rates if rates should fall. By laddering your maturity dates, you have essentially diversified your so-called "riskless" investments.

And remember, all you want to do is watch your money go up the ladder. □

They Call Me
Moses
Masaoka

□ Reviewed by Brian Niiya

MIKE MASAOKA. Say the name to virtually any Japanese American over the age of fifty and you will no doubt get a strong reaction. To some he is an American hero, a man who led the fight for Japanese American civil rights and whose life has served as a shining example of how the American creed works for everyone; as the book jacket proudly proclaims, "surely no one has accomplished more for Japanese Americans than Mike Masaoka."

To others he is a despised figure whose cooperation with the government unnecessarily ruined lives and effectively sold out his people; in his 1987 book *Keeper of Concentration Camps*, Richard Drinnon writes, "Masaoka gave 'Mr. Myer' the benefit of his opinions and later could boast of the part the JACL played 'in forming WRA policy' only because he outcolonized the colonizer." (p. 73)

The publication of Mike Masaoka's autobiography will do little to resolve this rift in popular opinion of the man. Supporters and detractors alike will find plenty to support their positions in these pages. Not surprisingly, the critical reaction to this book thus far has broken down along ideological lines. Those who see the Japanese American history as a "success story" have praised the book; reviews by Harry Honda in the *Pacific Citizen* (1-8 January 1988) and David MacEachron in the *New York Times* (29 November 1987) are examples of this. Ideological opponents of the JACL version of history have reacted in predictable fashion to the book—articles by Frank Chin in the *Pacific Citizen* (4-11

December 1987) and Bill Hohri in the *Rafu Shimpo* (11 January 1988) illustrate this point. Although it is difficult to evaluate an autobiography without also evaluating the life it describes, I hope to be able to steer clear of this trap. Wish me luck.

The bare facts of his life are undeniably stirring. Mike Masaoka was born in 1915 just before his family moved to Utah to begin farming their own land. Upon reaching this land (which his father had borrowed heavily to buy) they find that it is under several feet of water, saltier than the ocean and thus, useless for farming. Disappointed, but not broken, the family decides to stay on in Utah and his father starts a retailing business.

Just as the business starts to succeed, his father is killed in a freak accident. The rest of his childhood is your basic story of the poor-but-happy family held together against all odds by the love of a determined mother. Young Mike excels in school and becomes a champion debater in high school. He also is exposed to politics early on through his involvement with the successful 1932 U.S. Senate campaign of Elbert D. Thomas immediately after high school graduation.

He goes on to the University of Utah and drifts into a job with the fledgling Japanese American Citizens League soon after graduation. He becomes a key member of the organization and moves to Washington, D.C. as the group's representative.

When the war begins and President Roosevelt issues Executive Order 9066, Masaoka pledges his support to the government, petitions for the Nisei's right to join the armed forces, and becomes



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the first Nisei to volunteer for the Army. Masaoka serves as a much decorated public relations person with the 442nd Regimental Combat Team. He becomes the JACL Washington lobbyist after the war and plays a key role in the legislative gains made by Japanese Americans in the late forties and early fifties. He later begins his own lobbying firm and works with Japanese business concerns in Washington for 20 years until three heart attacks push him into retirement.

Mike Masaoka is the author of the famed "Japanese American Creed" and of the JACL slogan "Better Americans in a Greater America." This point of view pretty much sums up the philosophy rather forcefully espoused in this book.

In defending his controversial wartime actions, he notes that "virtually every element of the Japanese American community was looking to the JACL for leadership" (page 94) in early 1942, a claim most historians would hotly dispute. He sees the "revisionist critics" of that policy as people who apply current knowledge to a decision made 45 years ago, adding that "in spite of hindsight, and the criticisms and condemnations over the years, none of the critics, detractors, and debunkers, including those of Japanese origin, have come up with a viable, workable and constructive alternative to avoid or prevent the evacuation process." (365)

As a good American, Masaoka admits being sought out by the FBI and cooperating with them and cites this as his responsibility as a patriotic citizen. In dealing with the legislative gains of the postwar period, the following passage succinctly summarizes his philosophy and also lashes back at the "radicals" who have been some of his harshest critics:

"What we accomplished, was achieved through 'the system.' We struggled for our rights at a time before demonstrations and sit-ins and loud protests in front of news cameras had become acceptable. We sought Redress by direct appeal in Congress and state legislatures and the courts. In short, we made the democratic system work." (23-24)

While one may not entirely agree with this general approach to problem solving, it certainly

is understandable how a person of Masaoka's background can come to have this perspective.

But, like so many other autobiographies by Asian Americans, there is little insight into his personal life and how he came to formulate his philosophy. For the most part, the book reads like a box score of activities: graduate from college, join JACL, go to Washington, get married, etc. He spends only one short chapter on his life prior to high school graduation, the period a serious biographer would devote more space to.

How did growing up Japanese American in the mainly White state of Utah affect his future activity? Did the constant stream of friendly White people, who helped his family after his father died at an early age, contribute to his future faith in America? What about his conversion to Mormonism? Did the early experience with a successful political campaign effectively cement his belief in "the system"? One can only speculate on the impact of these events.

Similarly, there's little information on the personal side of Mike Masaoka's life. While his business dealings are related with great detail, anything vaguely personal is given short shrift. He tells little about the real nature of his relationship with his wife Etsu Mineta Masaoka and virtually nothing about his two children. In fact, the first mention of either comes when Masaoka notes that Suntory Midori liqueur has the same name as his daughter! He deals sketchily with his family life and concludes with the "sudden" death of both children in 1986, with no further details. By glossing over this and other personal aspects, he succeeds in arousing curiosity before ultimately frustrating the reader. By telling more about the sometimes tragic events of his personal life, he might have made himself more human and sympathetic rather than some machine-like figure always tackling some important business concern.

Perhaps the most revealing aspect of the book is the almost unbearable level of self-congratulations to be found in its pages, which shouldn't be too surprising considering the book's title. Masaoka thinks nothing of repeatedly quoting laudatory things others have said about him or detailing various awards and personal citations he has received. He constantly brings up his many

contributions, apparently trying to be humble, but failing miserably. He also evinces an extremely defensive attitude towards his critics and goes to great lengths to defend his controversial actions.

Additionally, the book's jacket is filled with laudatory quotes from friends Mike Mansfield, Spark Matsunaga, Edwin O. Reischauer, James A. Michener, and Norman Y. Mineta testifying what a great American we're dealing with here. Enough already!

But, rather than chalking this tendency up to megalomania, I suspect that all the boasting has its roots in deep insecurities. Like Manuel Buaken's *I Have Walked With the American People* (1948), *They Call Me Moses Masaoka* may be nothing more than a thinly disguised plea for acceptance. Although sharp criticisms of such people as Nisei draft resisters or sixties Sansei activists occasionally creep out, his tone towards those people who disagree with him is largely conciliatory. It is as if he is making a special effort to reach out to them.

Additionally, he has changed his position to coincide with the Japanese American majority on the most pressing issue in the community today. Once an opponent of Redress, he now supports the concept of individual payments. It is as if this is a last attempt to reach out to his ideological enemies. Perhaps he sees the current of history turning against him; recent scholarly works by the likes of Richard Drinnon, Rita Takahashi Cates, Douglas Nelson, Michi Weglyn and others have challenged the JACL version of history and more such works are undoubtedly on the way. For a man who views himself as a modern day Moses in the twilight of life, what could be more shattering than to realize that substantial portions of your "followers" view you with everything from suspicion to outright contempt?

Unlike Manuel Buaken in 1948, Mike Masaoka in 1987 seems to be campaigning for acceptance among his own people rather than from a hostile mainstream society. In this way, *They Call Me Moses Masaoka* comes across as a sadder book than even *I Have Walked With the American People*. □

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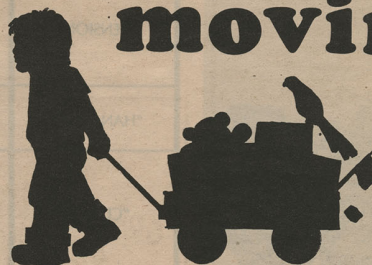
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