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ECONOMIC STABILIZATION PROGRAM

The Japanese Government was directed by SCAP on 19 Dec 1948 to carry out an effective Economic Stabilization Program calculated to achieve fiscal, monetary, price and wage stability in Japan as rapidly as possible, as well as to maximize production for export.

The specific objectives of the program are:

1. Achieving a true balance in the consolidated budget at the earliest possible date by stringent curtailing of expenditures and maximum measures as may be necessary and appropriate.

2. Accelerating and strengthening the program of tax collection and insuring prompt, widespread and vigorous criminal prosecution of tax evaders.

3. Assuring that credit extension is vigorously limited to those projects contributing to economic recovery of Japan.

4. Establishing an effective program to achieve wage stability.

5. Strengthening, and if necessary, expanding the coverage of existing price control programs.

6. Improving the operation of foreign trade controls and tightening existing foreign exchange controls, to the extent that such measures can appropriately be delegated to Japanese agencies.

7. Improving the effectiveness of the present allocation and rationing system, particularly to the end of maximizing exports.

8. Increasing production of all essential indigenous raw material and manufactured products.

9. Improving efficiency of the food collection program.

The above plans will be developed to pave the way for the early establishment of a single general exchange rate.

FEW

OVER-ALL INFORMATION PROGRAM ON NINE-POINT ECONOMIC STABILIZATION PLAN

12 September 1949

Public Relations Section,
E. S. B.

OVER-ALL OBJECTIVE

To explain to the Japanese people, in terms of their daily living and future, the Nine-Point Economic Stabilization Program, the relationships of its individual points, its implications in terms of their daily lives.

GENERAL THEMES

1. All segments of Japanese society must make sacrifices. Increase of Japanese export will require conservation of both raw materials and human resources, and will require sacrifices from all of the people -- from management, labour, farmers,

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GENERAL THEMES

1. All segments of Japanese society must make sacrifices. Increase of Japanese export will require conservation of both raw materials and human resources, and will require sacrifices from all of the people -- from management, labour, farmers, and the general public. Labour is not expected to carry the entire burden nor to do more than its share. If all segments of the people cooperate, Japan can look forward, after a year or two of "austerity", to progressively better living standards, at least until a level as high as the average per capita standard for the base period 1930-34 is reached.

2. Since U. S. aid cannot continue indefinitely, all Japanese should work together to achieve economic self-support as soon as possible. (Special emphasis needs to be placed on explaining how the United States contributes to Japanese recovery through EROA and GARIOA, yen expenditures by Occupation personnel, technical assistance, etc.)

3. Increased exports are essential to making Japan self-supporting. To accomplish this objective will require:

a. More efficient utilization by management of plant, fuel and raw materials.

b. Improved labour efficiency -- greater production by the same number of workers.

c. Halting diversion of Japan's resources into black-market consumer items.

d. Reduction of hoarding of essential raw materials and consumer goods.

e. Channeling of Japan's limited financial resources into essential production.

4. Individual points of the stabilization program are interrelated, and failure to achieve one or more of the specific objectives imperils the entire program.

INFORMATION PLAN

PRESS

1. Distribution by the Economic Stabilization Board to newspapers, industrial house organs and other publications, of a weekly clip sheet containing articles in publishable

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INFORMATION PLAN

PRESS

1. Distribution by the Economic Stabilization Board to newspapers, industrial house organs and other publications, of a weekly clip sheet containing articles in publishable form and material for editorials on current developments and problems relating to the stabilization program (material for this clip sheet will be supplied by ESB and other Ministries and bureaus represented on the ESB Coordinating Committee, which meets weekly).

2. Semi-weekly press conference by the Director-General of ESB, weekly press conference by the Deputy Director-geenral of ESB, and weekly press conferenco by the Chief Secretary to the President.

3. Periodic off-the record background conferences by ESB for editors and special writers on magazines and newspapers.

4. Press releases by ESB on current developments in the stabilization program.

5. Special press releases to trade publications covering specific data in their field.

6. Periodic over-all program report by ESB, probably once a month, summarizing achievements in over-all program and pointing to difficulties with a view toward securing public cooperation in overcoming them.

RADIO

The objectives outlined in this program will be widely publicized on national, regional, and local broadcasting stations, with appeals both to the general public and to business and labour. Current programs which appear to offer

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RADIO

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a. News programs

b. Commentary and editorial programs

c. Question and answer programs

d. Audience participation programs

e. Documentary dramatic treatment

f. Discussion programs

MAGAZINES

1. Periodic magazine conferences.

2. Preparation and servicing of magazines with special material suited to their editorial requirements.

3. Stimulation of magazine to prepare, on their own initiative, articles on economic stabilization including such subjects as "Why Austerity is Necessary", "United States Aid to Japanese Economy", "The Meaning of Exports in Terms of the Life of the Average Japanese", etc.

4. Purchase by ESB of reprints from magazines and distribution to schools, libraries, and other information centers.

ORGANIZATIONS

L. Preparation and servicing of publications of the principal trade and business organizations with articles and other data on economic stabilization.

2. Economic organizations and societies throughout Japan will be encouraged to give full discussion to current development in the economic stabilization program. Press and radio coverage for these meetings will be encouraged.

3. The approximately 5,000 citizens' public halls in Japan will be provided through the Mombusho with periodic

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4. Principal women's organizations will be encouraged to discuss the relationship between economic stabilization and the daily lives of the people.

5. Principal labour federation and unions will be provided through the Rodosho with material on the over-all stabilization program suitable for discussion at union meetings.

6. Management organizations will be provided with material encouraging more efficient utilization of plant, labour, and materials.

7. Information materials on economic stabilization also will be provided, insofar as the budget will permit, to farm groups, professional societies, women's groups, parent-teacher associations, youth groups and other organizations.

PAMPHLETS

1. ESB is planning to produce at least two pamphlets during the current fiscal year. Proposed subjects are:

a. "Relationship Between Exports and the Austerity Life"

b. "Why Japan Must be Economically Self-Supporting Before it Can be Politically Independent"

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1. ESB is planning to produce a minimum of three leaflets during the current fiscal year. These will be aimed at the general public and will be distributed at open forums and on other appropriate occasions.

a. "Why it is Necessary for Every Family to Make Further Sacrifices in Order to Rebuild Japan"

b. "Contributions of the United States to the Japanese Economy"

c. "How Japan can Benefit by Producing High Quality Merchandise at Lower Prices"

(Theme: "Make Japan the Swiss Precision Country of the Far East")

WALL-NEWSPAPER

1. ESB is planning to produce a minimum of two wall-newspapers during current fiscal year. These will be distributed to public libraries, schools, and citizen's public halls, etc. Proposed subjects are:

a. Relation ship between exports and the austerity life.

b. Why Japan must be economically self-supporting before it can be politically independent.

FILMS

1. A minimum of four film strips are planned for this fiscal year. Proposed suggestions are:

a. Rationalization of Industry

b. What Exports Mean to the Average Japanese Citizen

c. Contributions of the United States to the Japanese economy.

d. Economic self-support of Japan is a prerequisite for political independence.

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2. All newsreel companies will be encouraged to cover all events which have a constructive angle which encouraged economic stabilization.

3. All major film producers will be provided with "bits of business" or slogans suitable for introduction into entertainment films.

4. Documentary film companies will be encouraged to produce, on their own initiative, films on economic stabilization.

5. All existing documentary films on the Japanese economy will be re-examined, a selected list of useful films prepared and their widespread showing encouraged through prefectural film libraries.

EDUCATION

1. The Mombusho will be provided with materials on economic stabilization suitable for distribution purposes in universities and colleges.

LIBRARIES

1. Current information materials prepared by ESB and obtained from other sources will be supplied to university and public libraries throughout Japan.

2. A bibliography of books and magazines in Japan which further the objectives of economic stabilization will be supplied to all university and public libraries.

3. ESB will enlist the aid of Japanese Library Association in publicizing the information on economic stabilization.

4. Public libraries, through the Japanese Library Association, will be encouraged to prepare bulletin boards and window displays

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4. Public libraries, through the Japanese Library Association, will be encouraged to prepare bulletin boards and window displays featuring books, pamphlets, periodicals and documents relating to economic stabilization.

Since the above plan was drafted, the proposed budget has been cut, necessitating some reduction in printed materials.

11 October 1949.

For information

TO: M&I
C&T
LABOR

File

Noted

Incl. II

Osaka, August, 1949

Suggestion re The Price Policy

Submitted by Kansai Economic Federation

I. Forward

It is imperative for Japan, under The Nine Point Rehabilitation Program and the Dodge Line, to liquidate her "economic stilts" as early as practicable that she may stand on her own legs to join international economy. In other words, she must get rid of her controlled economy within the closed door to come out into international arena based on monetary credit.

Under the circumstances, our industries can no longer afford to temporise with a chain of inflationary measures such as subsidies, deficit financing, and mark-up of commodities. Rully this is the time for them to rationalize their mean of production and bring about lower prices in order to tide over the situation.

With this in view, we, The Kansai Economic Federation had appointed a Committee on Price Policy, which, after series of discussion, has reached the conclusion as below.

The authorities concerned are cordially required to take those points enumerated below into consideration in forming the future price policy.

II. Fundamental Principles of the Price Policy

(1) Re-orientation of the Price Policy

Attention is drawn to the inherent weakness of the present system that is based on the principle of cost-finding with little regard to the ever-changing supply and demand, or to the fact that the data forming the cost diversified among industries. Besides, there is another weak point in having it run utterly divorced of international price levels.

These weakness have recently been disclosed in instance wherein increased production having fulfilled effective demand for the time being, prevailing prices are pushed down before the official ceiling. In the face of the trend, the cost-finding principle will no longer reasonably

with a chain of inflationary measures such as subsidies, deficit financing, and mark-up of commodities. Really this is the time for them to rationalize their mean of production and bring about lower prices in order to tide over the situation.

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These weakness have recently been disclosed in instance wherein increased production having fulfilled effective demand for the time being, prevailing prices are pushed down before the official ceiling. In the face of the trend, the cost-finding principle will no longer reasonably be sustained especially at this time when the single rate of exchange of ¥360 to one U.S. dollar has been instituted thereby bringing our economy closer toward international economy to be strongly sensitive to its fluctuation.

There is another prop on which the current price system operates. That is the price adjustment subsidy which has originally been invoked to stem the inflationary tide, but now demands over-all review against broader perspective. Because, in some instances, those factors such as increased production, sub-ceiling prices, and reflection of international prices have caused industries prepared to take total or part lifting of subsidy without any serious harm to their operation or national living conditions.

(2) Fundamental Points in Future Price Policy

Foregoing facts now lead us to the following points that should be considered in revision of the policy.

a. In revision of prices, attention must be paid to international price levels and the trend of supply and demand. In this connection, special consideration must be paid to the declining trend of the world price indexes, especially of the America. For any attempt here to boost prices would require a good deal of precaution while adjustments to the contrary would be acceptable.

In such industries as electric power and gas supply and transportation etc., which may be regarded prima facie to be independent of international levels, prices should be set otherwise with due regard to equitable cost-finding.

b. In revision of prices, the question of the national finance and influences to people's cost of being will have to be considered as well.

c. Precise estimate should be made for industries to what extent they could cut prices through improved operations, industries efforts and other measures.

d. Some measures should be taken on the government levels to provide such industries as require to be fostered. Subsidies are being extended to some industries merely to protect them and are in no way justifiable in view of the price checking program for consumers' benefit. Such ought to be discontinued.

e. Control should be lifted as soon as practicable. Then the smooth process of rationalization under free competition will survive the test.

III. Rationalization of Industries.

Any measures must be preceded by, or taken up side by with, rationalization of industries.

(1) How to rationalize industries

The following three points will be of utmost importance.

a. Centralized production is recommended. In carrying that out, however, due consideration should be given to merits and demerits involved and to particular circumstances surrounding industries concerned. Mere perfunctory approach should be avoided.

b. Where control to remain, prices should be adjusted so that they may reflect differences in quality.

c. Efforts must be made on the part of each industry to prosecute complete rationalization through technical improvement, personnel cut, etc.

(2) Rationalization and Limit of cost-cut

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(2) Rationalization and Limit of cost-cut

The question will then arise what would be the limit of cost-cut through rationalization. This Committee's Investigation on twelve different types of industry revealed an outstanding instance in which 32.7% cut may be attained with the possibility of 34.5% cut under full operation. Although this may be one of extra cases, the above figures lead us to believe there are yet sufficient room for adjustment of prices and subsidies.

IV. How to Implement the Price Policy.

It would scarcely need be said that there may be particular situation to be considered for each industry in carrying out the proposed adjustment; how and when and in what order. The following points, however, might be suggested.

(1) Where free prices are bordering official levels control is no longer warranted. And this is the case to begin with. Then domestic prices would be brought to less disparity with international prices. Of course, full caution must be exercised to make resultant frictions as little as possible. For instance, there is coal which involves substantial stock-pile and considerable credit with Kodan.

Special care also need be paid to the items whose official prices are sustained by subsidy. Secondary steel products and machinery can be mentioned for instance.

(2) Control should be limited to basic materials with due regard to international price levels.

(3) Particular situation of the relative industry should be taken into consideration. Any rush and perfunctory approach would not suit the purpose.

a. Subsidy can be cut to the extent industries could absorb through rationalization in the stage of higher process of production. Care must be taken to have the cut spread all down the processes so that the finishing process may not bear too big share of the brunt.

Examples: Steel, Caustic Soda, Coal.

b. Where subsidy cannot practionably be discontinued close check-up should be followed all along the way it is used. Fertilizer would be an instance wherein suspension of subsidy would make prices of staple food rise, which, in turn, would reflect upon cost of living. It would be an idea in such case that the use of subsidy be limited to production of staplefood.

c. Where abolition of subsidy may hit hard the industry which need be fostered a measure must be taken to extend a special grant to keep it going.

Example: Copper.

d. Food subsidy amounting to ¥1,800,000,000 or 55% of the total import subsidy may not easily be abolished unless supported by the result of deliberate pre-review of all things that might follow. This may be also the case with not a few foreign countries where more priority are now being given to foodstuff.

(4) The following can be suggested as main points to which consideration be given in elevating price scales.

a. Prices would be better raised where industries' sacrifices are slight or when deemed feasible in an attempt of bringing the prices of specific commodities closer to international levels.

Examples

The first category includes:

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Examples

The first category includes:
railway freight charges whose reflection back on staple commodities is estimated at 4.4% on the supposition 70% deficit-adjusting boost, and electric light and power whose proposed increase scale by 48% means 4.4% mark-up in commodities.

The second category included:

some cotton products, gold, silver.

b. Prices raise would also be justified in the items tagged unreasonably low for domestic consumption by reason of deficit to be cornered by profitable export which arguments are not now sustained because of poor chance in foreign markets.

Example: Rayon filaments, Cotton Yarns.

c. Coordinance is indispensable in these adjustments.

Attention is directed in this connection to the annexed statement wherein it will be noted in the "equitable" cost admitting reasonable

defreciation of all commodities, with a single exception of raw silk, exceeds the official ceiling. If upward price adjustment is impracticable in these cases, some tarational measure need be worked out in connection with depreciation of industries' equipment. Coordination with marine rates was in our mind when reference was made to railway freight under the preceding section (b).

(5) Following suggestions might also be presented for adjustment of export prices:-

a. Efforts should be made to import materials as economical as practicable. Suppose all materials for steel proeuction could be imported from the Far Eastern area, the cost of steel products, with a few exceptions, would be brought down independent of subsidy to a level competitible with foreign items.

Otner examples: Salt, Foodstuff, Coal.

b. Prices of import materials need be adjusted from time to time by the export terms of the resultant products.

Example: Rubber.

c. The reason of the prevailing disparity between domestic and international prices can partly be traced to the fact that the trade is being done on scanty information and on a disadvantageous terms of f.o.b. basis.

Efforts must be made to find a way to institute the C.I.F. contract and to economic freight charges by resorting to our own or chartered bottoms. At the same time, suppliers' representative might be more encouraged to go abroad.

V. Conclusion

All the foregoing can be contracted to say as follows: that is, any future price policy should be set-up along the lines of rationalized industries. In order that there may be as little friction or confusion as possible, situation all around must be improved to attain parity with international prices by degrees.

Equitable cost, on the other hand, should be followed up for those items not immediately related to international prices. Adjustment of subsidies and prices on equitable data is urgently needed to let free competition take care of the rest.

In submitting the present memorandum, how

a. Efforts should be made to import materials as economical as practicable. Suppose all materials for steel production could be imported from the Far Eastern area, the cost of steel products, with a few exceptions, would be brought down independent of subsidy to a level competitible with foreign items.

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It is fully noted by the writer, in submitting the present memorandum, how difficult it is to make good the proposed adjustment in a country like this where considerable portion of subsidies are extended to industrial materials in marked contrast to latest overseas tendencies toward more priority to foodstuff.

Price Policy Committee
The Nanpei Economic Federation

Estimated Price

Industry	Commodity	Unit	Current Price		Off
			Ruling	Equitable	Produce
Coal	Coal	1 m. ton	2,149.60	2,869.66	2,388.5
"	"	"	2,388.53	3,344.86	2,388.5
Elec. Pwr.	Light & Power		1.75	3.63	
Steel	Wire Rod No.3 (Ordinary)	1 m. ton	20,090	21,827.26	20,090
"	Gas Pipe	"	32,990	37,111	34,320
Fertilizer	Lime Superphosphate		6,230	6,705	6,230
"	" (14.5% strong)	1 m.ton	6,078.24	6,869.31	6,078.2
"	Ammonium Sulphate		17,200	17,511.32	17,200
Industrial Chemical	Sulpheric Acid		3,485.88	3,992	3,606
"	" (98% (strong)	1 m. ton	5,168	6,685.97	5,168
"	Electrolized Caustic Soda (45% strong)	1 ton	22,600	25,271.91	22,600
Ceramic	Portland Cement	1 ton	3,373	3,839.17	3,373
Spinning	Cotton Yarn (20 counts, single yarn (left twisting cheese)	1 bale (400 lbs)	66,239.17	77,490.35	66,239
"	Cotton Cloth (T-cloth, 21)	1 tan (40 yds)	2,025.44	2,535.28	940
Chemical Fiber	Viscose Rayon (120 D)	1 case (100 lbs)	13,875	20,060	14,208
"	"	"	13,875	18,787.22	13,875
"	Rayon Filament	"	13,875	20,841.10	13,792
"	"	"	13,875.60	18,798.28	14,208
"	Staple Fiber	"	11,000	11,369.87	11,000
"	"	"	11,000	12,538.66	11,110
Silk	Raw Silk (21 middle, D grade)	1 pkg. (16 kan)	136,880	125,467	0
"	Raw Silk	"	136,880	116,087	136,880
Rubber	Auto Tire 32 x 6 -IOP	1 tire	7,028.76	7,143.46	6,800
"	Air Brake Hose for Train 29m x 45 x 550	1 hose	172.50	180.60	153.2
"	Rubber Sold Tabi (size 10.7 mon)	1 pair	163.08	171.45	160
"	Flat Belt No.3	100 inches	349.99	361.83	335

Estimated Price-Cut Through Rationalization

t Price	Official Price		Inter - national Price on F.O.B. Basis	Subsidy			
				Stabilizing		Import	
Equitable	Producer	Consumer		Direct to Commodity	Included in Component Materials	Direct to Component Materials	Total
2,869.66	2,388.53	3,344.86	3,420	¥ 0	¥ Unknown	¥ Unknown	¥
3,344.86	2,388.53	3,344.86					
3.63		1.79	6.48				
21,827.26	20,090	11,850	AC 33,166.80	14,497	6,890	7,239 (39 manufacture items included	
37,111	34,320	17,000	42,480	17,320	18,600	13,980	
6,705	6,230	5,452		On consumers' price 4,752.01		Abt. 2,577	
6,869.31	6,078.24	5,207.73	Abt. 10,080	Abt. 10,080		3,127	
17,511.32	17,200	11,126	16,200				
3,992	3,606	4,717.70					
6,685.97	5,168	7,541	CIF Japan 12.240				
25,271.91	22,600	18,702	(Solid) 24,480	4,459			4,45
3,839.17	3,373	4,050	5,760				
77,490.35	66,239	68,557	86,400				
2,535.28	940	1,220		455	455		45
20,060	14,208	14,705	25,920	455	455		45
18,787.22	13,875	14,366	(100 D) 34,920			1,653.19	
20,841.10	13,792	14,274.	23,760				
18,798.28	14,208	14,999	25,920				
11,369.87	11,000	11,466	10,800				
12,538.66	11,110	11,466	10,800				
125,467	0	0	121,388.30				
116,087	136,880	140,302	121,428				
7,143.46	6,800	7,480				1,333.30	1,338
180.60	153.20	188.40				25.51	25
171.45	160	185				13.25	13
361.83	335	412					

Subsidy			Potential Cost-Cut							Curre
lizing	Import		Inside Industry				Outside Industry			Again Equip ment Poten
Included in Component Materials	Direct to Component Materials	Total	Technical	Payroll	Others	All These Three	Under Prewar Normal Operation	Under Full Operation	Others	
¥ Unknown	¥ Unknown	¥	(in %) 5	(in %) 3	(in %) 0	(in %) 8	(in %) 0	(in %) 0	(in %) 0	(in % 100
			3	5	2	10		10		100
			1	1.6		2.6				100
6,890	7,239 (39 manufactured items included)		0	1.5	2.5	4.0		4.0	6	-
18,600	13,980		1.9	2.3	5.6	9.8	4.6	10.6		89
umers'	Abt. 2,577							Sulpheric Acid of own making included 11		-
	3,127		0	2	0	2				42
								30		33
								20		-
			0	3	Improved Equip 10	13		14	0	62
		4,459	5.7	2.4	10.3	18.4	2.7	9.2	3.8	72
			2		13	15	1	4	0	3
			Against equitable price 1	1			Against equitable price 4.5	Against equitable price 4.5		5
455		455	1.5	2	.5		5.5	2.5	1	5
455		455	1.5	2	0.5	4	5	2	1	6
1,653.19			4	6	0	10	20	20		60
			6.1	6.6	15	27.7	25	34.5		28
			5	6	4	15	5	10		75
			5	5	5	15	10	20		11
			13.9	6.5	12.3	32.7	21	25.1		8
			0.6	2.4	0.5	3.5		6.5	1.5	90
			7	3		10				70
	1,333.30 1,338.30		14.5	3.5	3.0	21.0	3.0	11.5		65
	25.51	25.51	2.0	1.5	2.0	5.5	5.0	10.0		60
	13.25	13.25	2.0	3.0	3.0	11.1	5.0	11.0		3
	32.23	32.23	10.0	3.0	3.0	16.0	5.0	15.0		4

Potential Cost-Cut						Current Operation	
Inside Industry			Outside Industry			Against Equipment Potential	Against Operation Potential
Payroll	Others	All These Three	Under Prowar Normal Operation	Under Full Operation	Others		
(in %) 3	(in %) 0	(in % 8	(in %) 0	(in %) 0	(in %) 0	(in %) 100	(in %) 100
5	2	10		10		100	100
1.6		2.6				100	100
1.5	2.5	4.0		4.0	6	-	-
2.3	5.6	9.8	4.6	10.6		89	97
				Sulpheric Acid of own making included 11		-	-
2	0	2				42	45
				30		33	33
				20		-	-
3	Improved Equip 10	13		14	0	62	74
2.4	10.3	18.4	2.7	3.2	3.8	72	72
	13	15	1	4	0	31.4	46.6
t ble 1			Against equitable price 4.5	Against equitable price 4.5		53	53
2	.5		5.5	2.5	1	31	70
2	0.5	4	5	2	1	60	76
6	0	10	20	20		60	63
6.6	15	27.7	25	34.5		28	48.8
6	4	15	5	10		75	75
5	5	15	10	20		11.4	13.0
6.5	12.3	32.7	21	25.1		8.2	20.5
2.4	0.5	3.5		6.5	1.5	90	92
3		10				70	70
3.5	3.0	21.0	3.0	11.5		65.8	75
1.5	2.0	5.5	5.0	10.0		60	90
3.0	3.0	11.0	5.0	11.0		39.6	59.2
3.0	3.0	16.0	5.0	15.0		41.8	65.4

	left twist-ing cheese)				
"	Cotton Cloth (T-cloth, 21)	1 tan (40 yds)	2,025.44	2,535.28	
Chemical Fiber	Viscose Rayon (120 D)	1 case (100 lbs)	13,875	20,060	14
"	"	"	13,875	18,787.22	13,
"	Rayon Filament	"	13,875	20,841.10	13,
"	"	"	13,875.60	18,798.28	14,
"	Staple Fiber	"	11,000	11,369.87	11,
"	"	"	11,000	12,538.66	11,
Silk	Raw Silk (21 middle, D grade)	1 pkg. (16 kan)	136,880	125,467	
"	Raw Silk	"	136,880	116,087	136,
Rubber	Auto Tire 32 x 6 -IOP	1 tire	7,028.76	7,143.46	6,
"	Air Brake Hose for Train 29m x 45 x 550	1 hose	172.50	180.60	
"	Rubber Sold Tabi (size 10.7 mon)	1 pair	163.08	171.45	
"	Flat Belt No.3 26 x 11-3/8	100 inches	349.99	361.83	
"	Bicycle Tire	1 tire	259.93	270.53	
Rolling Stock	Steam Locomo-tive for Soviet (D 51 type	1 loc.		16,267,025	14,424,
"	Electric Car-3rd Class (mo,ha-63)	1 car		3,600,083	3,122,
"	Box Car (wa, mu)	1 car		664,654	495,
Marine Trans.	Charterage, Boat, (2A type) D/W 10982	D/W10982 heavy tons	2,694,836.57	5,404,224.44	2,694,
"	" (2E type) D/W 1576	D/W 1576 heavy tons	1,142,189.64	1,594,336.03	1,142,

Note: Figures under "Equitable" column captioned by "Current Price" r
depreciation and disbursement for some materials from irregular

Adjacent column titled "Ruling" indicates estimated cost totali
prices.

.44	2,535.28	940	1,220		455	455	
	20,060	14,208	14,705	25,920	455	455	
	18,787.22	13,875	14,366	(100 D) 34,920		1,653.19	
	20,841.10	13,792	14,274.	23,760			
60	18,798.28	14,208	14,999	25,920			
	11,369.87	11,000	11,466	10,800			
	12,538.66	11,110	11,466	10,800			
	125,467	0	0	121,388.30			
	116,087	136,880	140,302	121,428			
.76	7,143.46	6,800	7,480				1,353.2
.50	180.60	153.20	188.40				25.51
.08	171.45	160	185				13.25
.99	361.83	335	412				32.22
.93	270.53	270	297 270				27.5
	16,267,025 14,424,000		4,424,000	17,308,800			
	3,600,083 3,122,000		3,122,000	None			
	664,654	495,900	495,900	None			
.57	5,404,224.44 2,694,836.57						
.64	1,594,336.03 1,142,189.64						

oned by "Current Price" represent real cost reflecting
materials from irregular channels.

tes estimated cost totally-based on the ruling official prices. approved

455	455		455	1.5	2	0.5		5.5	2.5
455	455		455	1.5	2	0.5	4	5°	2
	1,653.19			4	6°	0	10	20	20
				6.1	6.6	15	27.7	25	34.5
				5	6	4	15	5	10
				5	5	5	15	10	20
				13.9	6.5	12.3	32.7	21	25.1
				0.6	2.4	0.5	3.5		6.5
				7	3		10		
		1,338.30		14.5	3.5	3.0	21.0	3.0	11.5
		25.51	25.51	2.0	1.5	2.0	5.5	5.0	10.0
		13.25	13.25	2.0	3.0	3.0	11.1	5.0	11.0
		32.22	32.22	10.0	3.0	3.0	16.0	5.0	15.0
		27.50	27.50	5	3	3	11	10	15
							4		
							3		
							3		
				0	1.64	1.96	3.60		
				0	4.63	4.25	9.08		

rices.

1.5	3	.5		5.5	2.5	1	91	70
1.5	2	0.5	4	5"	2	1	60	76
4	6"	0	10	20,	20		60	63
6.1	6.6	15	27.7	25	34.5		28	48.8
5	6	4	15	5	10		75	75
5	5	5	15	10	20		11.4	13.0
13.9	6.5	12.3	32.7	21	25.1		8.2	20.5
0.6	2.4	0.5	3.5		6.5	1.5	90	92
7	3		10				70	70
14.5	3.5	3.0	21.0	3.0	11.5		65.8	75
2.0	1.5	2.0	5.5	5.0	10.0		60	90
9.0	3.0	3.0	11.1	5.0	11.0		39.6	59.2
10.0	3.0	3.0	16.0	5.0	15.0		41.8	65.4
5	3	3	11	10	15		47	66.6
			4				50	60
			3				50	65
			3				85	90
0	1.64	1.96	3.60				-	-
0	4.63	4.25	9.08				-	-

MEMBERS OF THE COMMITTEE ON PRICE POLICY

Tadao Watanabe (Chairman)	President, Sanwa Bank.
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Choku Ataka	Director, Seika Mining Co.
Keizo Iida	Managing Director, Takashimaya Department Store.
Kyutaro Izaki	Standing Director, Ataka Sangyo Co.
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Kaname Ueda	President, Ueda Short Loan Co.
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