

CENTRAL INTELLIGENCE AGENCY  
INFORMATION REPORT

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|----------------|--------------------------------------|-----------------|--------------|
| COUNTRY        | China                                | REPORT          |              |
| SUBJECT        | Control of Cotton Cloth Distribution | DATE DISTR.     | 3 March 1955 |
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This is UNEVALUATED Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.  
THE APPRAISAL OF CONTENT IS TENTATIVE.  
(FOR KEY SEE REVERSE)

1. [redacted] the controlled sale and purchase of cotton goods became effective in Tientsin. [redacted] the Industrial and Commercial Bureau of Tientsin held meetings with the chairmen of the various industrial and commercial unions and with members of private-owned cotton goods businesses, general merchants, clothing stores, tailor shops, dyeing businesses, shoes and hat makers, craftsmen, and peddlers. At the meetings the controlled supply plan for cotton goods, the regulations governing private-owned business, the regulations governing supply of cotton cloth to merchants for making other merchandise, and the registration of the present stock of cotton clothes were announced. According to the new regulations, the retail agent or dealer was to buy his stocks from the state-owned Calico and Cotton Goods Corporation, with a folder (sic) issued by the corporation, and then to sell to the people, at the authorized price, only as much cotton goods as each individual was allowed on his cotton-goods-purchase coupon. Manufacturers such as makers of rubber cloth, shoes, and hats dyers; and printers needed cotton cloth to make other merchandise. They were to get their supplies in amounts allotted according to the number of families involved, allotments that had been approved by the Industrial and Commercial Bureau. The merchants were ordered to inventory their stock [redacted] and to report the amount of stock on hand to the bureau. The stock thus registered would be dealt with as controlled merchandise, to be sold [redacted] to people with coupons only. No speculation of any kind in such goods was to be permitted, and any sale or purchase of cotton-cloth-purchase coupons would be considered a violation of the law. 25X1

2. [redacted] the cotton-cloth-purchase coupons were issued to every family of the city according to the family residence registration books. Each person was 25X1

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authorized to buy four chang and two ch'ih of cotton cloth a year; and each worker, student, or Chinese Communist cadre, six chang and two ch'ih a year. There were four kinds of coupons: five-ts'un, one-ch'ih, five-ch'ih, and one-chang coupons.<sup>2</sup>

3. All the wholesale merchants of cotton cloth had been ordered to close their shops. All the retail merchants throughout the city had become the retail agents of the state-owned corporation. The profit they were able to make from sales was insufficient to meet their daily expenditures and the cost of taxes, yet the authorities would not allow them to close their shops.

4. After the announcement of the control of cotton-cloth sales, the residents of Tientsin rushed to buy printed sheets and low priced woolen and silk articles.



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5. [redacted] the Chinese Communists put into force a regulation governing the supply of cotton cloth and authorized the Chinese Communist Cotton Cloth Company to be the sole distributor. At the same time, private merchants in the various countries, townships, and cities of the T'ai Hu (N 31---, E 120---) area were notified of the regulation. [redacted] the Cotton Cloth Company had entrusted the supply of cloth in the county districts to the local cooperatives.

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6. Under the regulation, consumption for farming villages was limited to 22 Chinese feet a person a year. The cloth was to be purchased with coupons denominated at five Chinese inches, one foot, five feet, and ten feet and carrying a photograph of the consumer (F-4).<sup>3</sup>

Comments

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1. The Chinese Communists announced over the radio home service [redacted] that the Government Administrative Council had approved an order implementing the planned procurement and purchasing of cotton [redacted]. The order stated that all cotton procurement and purchasing work of the state would be handled solely by the state-operated China Cotton Yarn and Cloth Company, which was to entrust its purchasing work to the supply and marketing cooperatives; that all private cotton dealers would not be allowed to deal in the purchasing and the shipping of raw or processed cotton; but that private retailers would continue their businesses by getting their supplies from the China Cotton Yarn and Cloth Company.

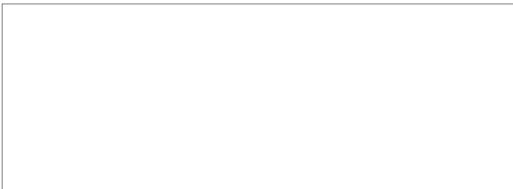
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2. A 'ts'un is a Chinese inch, the equivalent of 1.26 English inches; the ch'ih is ten ts'un; and the chang is ten ch'ih.

3. This is the first report received by this office that photographs of consumers are required on purchasing coupons. Food coupons themselves have not contained photographs.



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