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(26)

General Impressions and Observations of Shanghai

On 11 September in the morning we listened to a briefing by CHIN Chung hua (6855/0112/5478), Vice Mayor of Shanghai.

Shanghai has an area of 6,300,000 square meters and a population of 6,200,000, in 1936 it was 3,000,000, and before the ~~xx~~ liberation 5,000,000. Previously it was not united as a city; there was the International Settlement and traffic was impeded, but now it is being changed from a consumer city to an industrial city. It is important as a base for assisting Socialism throughout the nation. Also, it has the mission of tying mutual relations with other nations culturally and economically through trade.

After the land reform the demand for consumer goods increased and was not satisfied for, for instance, thermos bottles, towels, and hairbrushes (Toothbrushes?) electric (laborashi); we sent machinery, generators, irrigation machinery, and construction goods to industrial bases. After the farm collectivization at the end of last year, the demand for print cloth, woollen cloth, bicycles and pocket flashlights, etc., has also become large. As for the ~~potential~~ industrial capacity of Shanghai, it has one-third of the light industry and produces one-third of the machinery and textiles in the whole nation.. In 1949 there were 500,000 industrial workers and there are now 800,000. As for other laborers, there were 800,000 in 1949 and 1,380,000 now, an increase of 150%. In seven years they have moved ~~to~~ 45,000 workers' families, totalling 200,000 people, to workers residences. There are 12 workers' villages in the environs of the city. (Shanghai) is where private industry and trade are most concentrated; 40% of those throughout the nation are here, totalling 163,500 peoples. They (TN: presumably private s of the entrepreneurs) are National People's Representatives and member 'municipal Citizens Committee. ~~Mr. JUNG I-jen~~ Mr. JUNG I-jen (2837/3015/0088) of Shen Hsin Ch'i Yeh (3947/2450/0120/2814) is privately managing textile factory and

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flour mill(s?) in Shanghai and Tsingtao. (In the lecture ~~given~~ on joint public-private enterprises given by HSH Ti-hsin (6079/3321/2450), economist ~~and~~ of the 8th lecture hall (sic) of the Kuo Wu Yuan, it was said that this company president owned stock worth 70,000,000 yuan.)

Because the farm collectivization program progressed last year, they enforced joint public-private management in Eeiping in January of this year, but in Shanghai the businessmen formulated a three-year plan (TN: presumably for adjusting to joint public-private management) and submitted a petition on 20 January. 85 industrial companies with 35,000 workers and 12 commercial companies with 70,000 workers are participating; the former businessmen are working as managers or assistant managers or technicians. There is no fear that small factories will be swallowed up by big ones. 21,000 technicians are going out (TN: presumably to other areas) and helping.)

Since Formosa has not been liberated, (Shanghai) is on the front line of national defense, and besides the city government there is a Military Control Committee (believed to be a military agency), but it is engaging in no actual activities.

In 1949 there were 420,000 students; now there are 1,010,000. There are 19 higher schools (meaning colleges) with 37,000 students, 219 middle schools with 240,000 students, and 690,000 primary school students. 690,000
37,000
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As for public morals, in the old days Shanghai was ^{called} the paradise of adventurers, ~~and~~ robbers ran wild, and there were 800 brothels with countless ladies of easy virtue, but in 1951 re-education began; first 600 and then another 500 were picked up and are being taught techniques (TN: presumably industrial techniques, not advanced training in their former profession), They have many faults, and some backslide.

The streets are narrow, and widening them is difficult. In the second five-year plan there is provision for building residences for 1,000,000

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workers. Since materials are necessary for this construction, it follows that trade and exchange are most necessary.

----(TN: Apparently briefing stops here, rest is personal observation)

So when we inspected the city we were shown in particular model streets for poor people. The children applauded us, and in a concrete communal laundry of which they were very proud three or four women were putting snow-white clothes which looked as if they didn't need washing into tubs and splashing water on them.

At night, we declined the offer of a concert and went to look around the city. In the back streets we saw a more tragic aspect than the model poor quarter. ~~like~~ There was almost a foot of water in the streets and one could not walk. South of the Yangtse, the fact is that there has been no great change from the old days.

Riding back in a pedicab, I asked the driver, "Are there any good women?" I thought that he would probably not answer "yes", but contrary to my expectation, he said that there were some very nearby. When I asked him where, he replied, "In such-and-such a shop there is a woman waiting in every room." I was surprised that he would go so far as to name the shop. (TN: Why didn't you?) The driver looked as if he meant "Shall we go?" I thought that I would like to locate the actual place (TN: Uh-huh), but since he confessed that the house was dangerous and ~~like~~ that when things went wrong he had no self-confidence, I dropped the matter. Since nothing could be done, I questioned him some more, and he said "It is for Soviet use." I thought of asking whether it was state-managed, but I decided that would be a foolish question and so didn't. It is unlikely that it could be run privately, but on the other hand it would be still worse under joint public-private management.

Of course the pedicab drivers and also many citizens would probably know of such a place if it existed. The interpreter replied that he was not

self-confident about Shanghai and Kuangtung, and the Vice Mayor of Shanghai
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said that streetwalkers had largely been eliminated. ~~It is a~~ fact that he
did not say "completely"/ implies this (TN: presumably the existence of
bordellos). If so, on the one hand they are rebuilding and on the other
hand they are state-managed; if this were Japan, would the newspapers keep
quiet about it?

There was absolutely no complaint against Soviets. They are treated
as a special classe ^{Chinese} The female secretaries of Soviets were makeup and some
wear clothing like that of mistresses (TN: The ChiComs have a uniform for
everything). There are two JCP members in Peiping and they came to meet us;
may they not have mistresses? Even though they said that even if they
returned to Japan there would be no cause for worry, these people are
dangerous and should not be trusted.

Next, as for the facts of joint public-private enterprises, the
management of the Pacific (T'ai P'ing Yang) Towel Factory was as reported
separately (TN: This helps identify the source), but this should not be
viewed too ~~lightly~~ favorably. Mr. WONG of the Shen-Hsin Ch'i Yeh/ is
propagandized about by the Government and shows up at parties in Shanghai,
and probably the members of other inspection groups have met him, but he
is a kind of "sheep's head" (TN: This term, yētō in Japanese, Yang T'ou
in Chinese, probably has ~~some~~ connotations unknown to me; probably a
figurehead or showpiece is meant).

In addition, this man never looks happy. Before the banquet he was
next to me, but perhaps because we were all soldiers he talked to no one
and may have looked wretched for that reason.

Next, as for the development of Shanghai, we cannot accept what is on
the surface, but we cannot overlook the fact that the Government plan to
develop it as an industrial city is giving it more importance. It is

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dangerous to inspect it as if you can disregard everything south of the Yangtze.
As the basis of Communist China becomes firmer, they will probably pay more attention to the southern part as well.

The value of the northwest is clear. The problem is in the northeast. I think that it is necessary to evaluate the northeast primarily from a military standpoint.

Next, as for industrial goods, by and large, the market price is two or three times that in Japan. High-quality items should be thought of as four times as high. Print cloth is coarse. Japanese women would probably not use it for an outer garment. Some of it is high quality, but that is a luxury. As for bicycles, even on the new ones the pedals are heavy (TN: maybe, ~~the~~ "they are hard to pedal") and they are unhandy. For instance, the pedals and handlebars break right away. The Chinese know full well that they are expensive and poor quality, and they want Japanese bicycles. I think that even with export prices they are cheaper and better than the English ones. Metallurgy is the biggest problem. I do not think that the Soviets are teaching (TN: the Chinese) their most advanced knowledge on this. Also, beyond this, isn't the Soviet technical level low?

Communist China is eager for trade with Japan. Probably they covet it. But in contrast to Communist China, which is united, Japan is confused. Japan is treating what should be a consumer market as a buyer's market (TN: think idea is that Japan is thinking only of getting raw materials from China, not of selling to China). And there is reason for this. The group of (ChiC_om) trading companies are complete merchants just like the Osaka businessmen. It is of course the group of BETAPORE in Japan who are mixing up trade and ideology, ~~are not~~ but are not the Japanese businessmen also mistaken?

Also, what China wants more than trade is technical exchange.

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Probably, should not Japan-China friendship be thought of together with this? Those who are afraid of ideologies are overvaluing their vis-a-vis' real intentions slightly. ~~What is the real intention?~~ For China, their feeling true ~~intention~~ toward Japan is that as long as they are not invaded by Japan it is all right. If only technical exchange can be arranged, they are doubtless not thinking of jilting the Socialist or Communist parties or anything like that there. I believe that the