

Z 62 (101)

NOTES ON THE PRESENT SITUATION

Nanking, March 3, 1938.

The enclosed "Conjectural Notes and a Few Facts on Nanking Economics" by Dr. M. S. Bates is the best terse summary we have of present economic conditions. But Dr. Bates points out that this statement assumes that the reader realizes fully the surrounding destruction not mentioned in the paper.

FOOD. The above statement does not refer to the delivery of foodstuffs through the Self-Government Committee. There has been no rice or flour released to them by the Japanese since February 19th, that is, for 12 days. Up to that date 10,000 bags of rice and 10,000 bags of flour had been delivered since December 13th, for a population of 250,000 to 300,000 people. The normal consumption of such a population would be 1,600 bags of rice per day. A small amount of rice is filtering in from surrounding farmers. Food Commissioner Wang of the Self-Government Committee has raised the price of rice from \$8.00 to \$10.00 per tan. He tells us any shipment of rice from Saigon would have to sell for \$14.00 per tan, which would mean practically doubling the price of rice for this population. Whether such shipment is necessary depends upon stocks available locally but that is almost impossible to determine. During the week of February 13th to 19th, the Nanking International Relief Committee was able to purchase and haul in through cooperating organizations 1461 bags of rice which greatly helped our supply of relief rice. There are still over 25,000 people on free rice. We have on hand 1570 bags of rice or enough for 24 days.

HEALTH since his arrival, Dr. Brady has vaccinated 5907 people in camps but he is now having to devote most of his time to work in the hospital. He thinks our health situation is very dangerous

especially because of the dirty situation existing amongst the refugees. We have known this but have not been able to find suitable personnel to carry out the clean-up work. Fuel has been too scarce to set up facilities for even bathing the population. Dr. Brady points out that we do not even have a delousing equipment and if typhus should break out we would be in a bad way. More medical personnel is still urgently needed, especially a man with a public health point of view and experience. With the coming of warmer weather the dead bodies of people and animals about, the lack of any disposal system for night soil, inadequate fuel supplies for hot water, make the danger of dysenteries and other diseases more serious. Furthermore, we hope that personnel and funds can be secured for at least opening one free clinic in South City.

Order. Case No. 459 in our "Notes for March 1st" continues to grow. Yesterday another man came to the Hospital from the same flour store incident. He had been stuck through the lower abdomen with a bayonet and the small intestine punctured in two places according to Dr. Brady who operated on the man. While order has improved a lot in the last two weeks, there is still lack of security even at points where Japanese soldiers are selling flour! Armed robbery by Chinese and Banditry in the countryside are now becoming a more alarming part of the picture and one that is likely to increase with gradual deterioration to famine conditions, lack of good government, and inadequate security for normal economic development. Experienced relief workers expect the worst conditions in May and June just before another harvest arrives (if it does!) or later if an inadequate harvest is secured or it cannot be moved to places of need.

CONJECTURAL NOTES AND A FEW FACTS ON NANKING ECONOMICS -- Mar. 1, 1938.

There is no production save market gardening and a little work on household articles. I doubt if there are 10,000 civilians gainfully employed out of the 300,000 population, if we count out the hordes of competitive peddlers. No private Chinese store other than roadside stalls or the tiniest of local shops. A score or two of Japanese stores, of which thirteen are now designated to sell freely to Chinese. No bank. No regular exchange shop that I have observed. Self-Government Committee is running a sizable food store for wholesale and retail of staples and some fresh food.

Rice supplies as believed to be limited to a few weeks' needs, though actual knowledge is scarce outside the Army. Demand is unreliable, as military and naval requirements cannot be calculated. Desperate efforts of the Self-Government Committee to get quantities of rice from Shanghai are indicators of the outlook. Vegetables will probably carry the population in its present purchasing power. Poultry and eggs are lower, also meats; but prices have lost part of their meaning when so few are able to consider such luxuries. Beans, oils, and peanuts are appearing in small quantities from north of the river, but transportation is still very limited. Risks of trade are so great that there is an unreasonable margin between basic prices and retail charges.

Crop outlook for the immediate region is wretched. Village headmen estimate that in the triangle Lungtan, Tangshan, Nanking, there remain 300 buffaloes out of the normal 3,000; and that human labor under favorable conditions would permit only one-third of the rice crop ordinarily secured by the use of animals. Along and near the main roads practically all buildings and tools have been burned or looted. The University of Nanking is having great difficulty in feeding and maintaining seven laborers on its five farms outside Taipingmen, which need fifty at this time of year besides several buffaloes. Soldiers rove through the community every day, taking anything useful or edible; so it is not thought possible to risk animals or stores of food, even if they could be had. Of those considerable farms and their stores, a few of the smaller buildings and one lot of beans remain, the latter brought into the city for safekeeping. Certain farmers refused to answer questions about seed, declaring that food for tomorrow was the real question. Neighbors of the University farms were asked to aid in pulling out cotton stalks from last year's cropping; they replied that they would gladly do it for only a little food, but for no amount of money whatsoever, as money was of no use to them.

In the past week 500 rickshas have been licensed, and are doing a small business. The normal figure was 10,000, I believe. There is a plan to revive a skeleton service of motor-buses, though some say that only 25 machines have any hope of reconstruction. The Self-Government Committee also desires to start a regular trucking service to and from Shanghai for commercial parcels, which suggests that the railway is not really open. Indeed, except for two trains this past week to return refugee residents of Shanghai, the only trains have been military. The Committee hopes to run small steamers to Yangchow soon. An occasional N. K. K. boat brings goods for Japanese interests only, so far as we know.

Japanese goods most widely sold are cigarettes, matches, sugar and candies, candles. There is scarcity of kerosene and gasoline.

These notes assumed general knowledge of burning and looting, the latter almost universal.

M. S. B.