

Keeping Pace With Inflation: The Post-War Chinese National Currency Issues

This is a traditional exhibit that illustrates difficulties in meeting (a) rising postal rates driven by rampant inflation of Chinese National Currency (CNC) following WWII, and (b) increased demand for stamps as the economy rebuilt following the War. The inflation that wreaked havoc on the economy also had a very significant impact on the postal system.

Stamp Issues: The post-war CNC issues consist of seven sets of definitives (57 stamps), 13 sets of commemoratives (49 stamps), 117 surcharged definitives, 23 postage dues, 27 parcel post, six semi-postals, one new airmail, and 19 surcharged airmails. All are shown here. They were issued between September 1945 and September 1948, and were valid for postage until January 31, 1949. During these years domestic stamp production replaced reliance on foreign printers; only three of these sets were printed abroad.

Post-War Reconstruction: It was hoped that the post-war CNC (a new and truly national currency) would aid in the reconstruction and reunification of China. This exhibit traces the postal service's efforts to modernize and expand, including such things as the introduction of postal kiosks and mobile post offices. Kiosk cancels contain the character *ting* 亭 meaning "kiosk" or *ying* 營 translated as "camp," and mobile post cancels contain the characters [right to left] *chi che yu chu* 局郵車汽 meaning "mobile post office." Emphasis was also placed on airmail services. Former domestic routes were reinstated and new ones established. To help dislocated refugees communicate and reunite their families, the airmail surcharge was held at \$3 per 20 g. until May 1946, and new airmail stamps were issued.

Surcharging Practices: As rate increases rendered low values obsolete, they were quickly surcharged with higher values. This was done contrary to the usual practice of surcharging with reduced values to discourage postal forgeries. Stamps issued as early as 1931 were retrieved from post offices all over China. This nationwide recall of obsolete values led to surcharges appearing on many different basic stamps and many varieties of those basic stamps (e.g. design types, perforation, paper, printing plate related, etc.). Their inclusion is material to an understanding of the chaos, which is a sub-theme of this exhibit.

Also, haste in stamp production resulted in numerous errors.

Stopgap Measures: Inflation quickly made new postage due stamps obsolete. The exhibit illustrates the somewhat unusual practice of using general issues to signify the payment of postage due.

Plan of Organization: The presentation is chronological. Issues are identified by their popular names, generally reflecting the name of the printer. To aid in understanding the relationship between stamp values (from 10¢ to \$5,000,000) and then current rates, I have included benchmark rate tables on the first page for each issue showing: the domestic surface rate (per 20g.), the domestic airmail surcharge (per 10g. until Nov. 9, 1946 and 20g. thereafter), and the domestic registration fee. To better explain the choice of stamps selected for surcharging, the surcharged issues are presented grouped by basic stamp issue.

Security Markings: Examples are included of Yee Tsoong Tobacco Co. perfins; the only firm to resume the use of perfins following WWII.

New Currency: In an attempt to stem inflation a new Gold Yuan Currency (GYC) was introduced in August 1948 and GYC stamps became available in October. CNC stamps could be used at the exchange rate of CNC \$3,000,000 to GYC \$1 until January 31, 1949.

Philatelically important items have thicker outline borders. 