

evaluations. A process which appears desirable when evaluated over an economic life assumed to be long may prove undesirable if its life turns out to be much shorter than expected.

Let us now turn to the comparison of the United States with Japan which is enlightening on several counts.

V. THE UNITED STATES AND JAPANESE INDUSTRIES COMPARED

The comparison of U.S. oxygen converter steelmaking with that of Japan is shown in Table V. Although negligible until 1958,

TABLE V
ANNUAL PRODUCTION OF CRUDE STEEL BY OXYGEN
PROCESS IN THE UNITED STATES AND JAPAN PLUS TOTAL CRUDE
STEEL PRODUCTION IN JAPAN, 1955-1965
(THOUSANDS OF NET TONS)

Years	United States	Japan	
	OC Steel	OC Steel	Total Crude Steel
1955	307	—	10,400
1956	506	—	12,200
1957	612	62	13,900
1958	1,123	870	13,400
1959	1,864	1,326	18,300
1960	3,346	2,890	24,300
1961	3,967	5,910	31,500
1962	5,553	9,290	30,400
1963	8,544	13,270	34,700
1964	15,442	19,350	43,800
1965	22,879	25,000	45,000

Sources: Table III, (a), (b), (d) plus the Japanese Iron & Steel Federation *Statistics of the Iron & Steel Industry of Japan for 1965*.

Japan's production of OC steel exceeded that of the United States in 1961 when Japan became the world's leading producer of oxygen process steel. More significant is that, as of 1965, Japanese oxygen process steel represented approximately 55 per cent of its total crude steel output, while it was roughly 17 per cent of total output in the United States. Comparable figures for some European countries were: Germany, 19 per cent, France 13 per cent⁸ and England 16 per cent.⁹

is greatly influenced by the opportunity costs of capital involved in the decision.

8. *Iron and Steel Statistical Year Book, 1965 and Monthly Edition, 1966*, No. 3 Statistical Offices of the European Communities (Brussels).

9. United Nations, Economic Commission for Europe, *Quarterly Bulletin of Steel Statistics for Europe, 1957, 1960, 1964 and Nos. 1-3, 1965*.