

TEAM-WORK IN THE FLOWERY REPUBLIC

Chinese · Guides · for
American · Business

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IN PURSUIT of a story about a Yangtze River flood I wandered one day through the narrow streets of a Chinese city. The flood was lapping at the city walls and had submerged some of the lower streets, but none of the prominent citizens on whom I called knew any of the details. They agreed with me that there was a flood, but at that point the interviews ended. I was about to dismiss the interpreter, there being no one else to interpret, when he, for the first time, did a sensible thing and took me to see the head beggar.

He was a very intelligent and capable old man, with a venerable grey queue, and while answering my questions about the flood he told me a great deal about the profession of begging as it is conducted in China. He had been chosen for his office by all the beggars of the city and became their autocratic head, acting as their business manager and official representative in all dealings with the police and trades people. Here, as in most other Chinese cities, begging has been thoroughly systematized. The beggars are apportioned between the streets under separate chiefs and all are under the control of the head beggar. No beggar is allowed off his own street in his professional capacity, nor can he beg there except on the first and the fifteenth day of each month. This arrangement was made by the head beggar after many conferences with the merchant guilds, and he is very proud of his achievement, as it enables his people to loaf on all except two days of the month, and gives the least amount of annoyance to the shopkeepers. On the appointed days, the beggars, in company, canvass their street, and the proprietor of each shop gives their chief the money to be divided between them. The amount given depends on the size of the shop, according to a well regulated scale.

IT was because of this admirable arrangement that the head beggar was so keenly interested in the flood and so well able to give me the details for which I had been searching. The flood had submerged a number of neighboring villages and many farms, sending the refugees scurrying toward the larger cities for shelter and food. They were encamped in large numbers just outside the city gates, while many of them had entered and were in the city itself, detailing to every passer the story of their misfortunes and threatening to die on the spot unless aid were forthcoming. This the head beggar naturally resented, and he grew very indignant as he told of the way in which these unorganized, non-union beggars, were playing havoc with his own organization.

"The shop-keepers are all complaining to me," he said, "but what can I do? These refugees are competing with my own people and I can't get any protection from the officials, who throw open the city gates to any vagabond who wants to come in and beg. They do not belong to our guild, have no business here, and ought not to be allowed in the city." He made his grievances so convincing that I agreed with him.

In American eyes a beggar's

guild may appear as absurd as a comic opera situation, but it is only a part of that great system of guilds which, in China, links competition and co-operation. The Chinese recognized the wastefulness incidental to competition when ancestors of American monopolists were clouting each other over the head in petty tribal wars, and have for centuries been working with that idea of co-operation to which America is giving more and more attention.

If there are fifty tea dealers in a Chinese city, the tea guild will consist of fifty members. It is one of the traditions of every trade that all shall belong to the appropriate guild. There is no hanging back, and soliciting of members by the secretary or the membership committee, as in the case of American organizations of business men. The guild membership is as much a part of the business as the sign in front of the shop, and so jealous are the guild members of the prestige of their organization that they do not hesitate at very strong measures to uphold it.

A Cantonese restaurant keeper set up in business in Shanghai two years ago, and for some reason decided to keep out of the local guild. For a few weeks his business showed no ill effects; then the restaurant began to attract a strange lot of customers. They came in just before each busy hour and filled all the tables. Many of them brought their own food and bought nothing but an occasional pot of tea. Moreover, they lingered so long that no one else was able to enter the restaurant until after the regular dining hour. They came regularly, and if one went away, his place was immediately filled by another, who also ordered nothing but tea. Now no restaurant keeper can make money selling tea at one cent a pot, and the Cantonese was soon within speaking distance of failure. Then he did what he should have done at first. He asked all the members of the restaurant keepers' guild to a dinner and a theatrical performance. They elected him to membership, and the next day his strange customers had disappeared.

In America, the development of trade might often be epitomized: competition, organization, monopoly. In China, thanks to the guild system, it is: organization, co-operation, competition. Business men in the same line compete with each other, but there is a point beyond which the individual cannot go. By hard work, economy, and careful attention to business, he may build up a large trade and grow wealthy, as many of them do, but he must observe the golden rule. The unwritten law is that he cannot do anything which would discredit the guild as a whole or injure the business of a fellow member. China has no anti-trust laws and no trusts. The guilds insure fair competition, and in that way they solved the trust problem centuries before it was born in the Western world.

A Japanese merchant moved into a city in Central China, grew a queue, learned to speak Chinese and became a member of the guild. When he felt that he was rather firmly established, he advertised a bargain sale of old and shop-worn goods. Crowds came and the sale was a great success, for no race more dearly loves a bargain than the Chinese. In America, the opening gun of such a trade warfare would immediately be answered by a volley of bargain sales conducted by other merchants, and thus the battle would wage, to the diminishment of profits and the enrichment of the purchasers' wardrobes.

Not so, however, in guild-governed China. The

guild to which this Japanese merchant belonged called a meeting and here he was confronted by his accusers, fellow members of the guild. His bargain sale had attracted many customers, who had bought goods at less than the cost price. The other merchants foresaw seriously lessened profits and a fatal New Year day when they would be unable to meet their obligations. The Western ideas which the Japanese possessed had passed through several Oriental minds before they reached his own, and he was unable to defend them against the guild traditions. Nothing more of the kind was to be allowed, decided the guild members, but they conceded to the ambitious disciple of the West a certain amount of personal liberty. He might hold his bargain sales, provided he notified the members of the guild beforehand, showing samples of the goods, stating the prices at which they would be sold and outlining in detail his plan of advertising. This would enable all other members of the guild to advertise similar bargain sales, nullifying any attempt of the insurgent to get more than his share of the trade. Since then the dry goods business of that city has followed its accustomed course, undisturbed by removal sales, invoice sales, or the January white sale.

Every guild is a very efficient machine, and is equally able to discipline its members and to fight battles for the good of the order.

My friend, the head beggar, told me of a very effective way in which his own guild won a fight for what it believed to be its rights. Sometime after he had completed his arrangements for the semi-monthly contributions by the shopkeepers, a few of them declined to continue their assessments. The guild was quite ready to meet just such an emergency and a beggars' strike resulted, in which the usual strike conditions were reversed. Instead of begging on only two days of the month, they begged on every day, early and late, disturbing the city with such loud wailings and making themselves so generally disagreeable that pressure was brought on the stubborn shopkeepers and peace restored with the resumption of the semi-monthly contributions.

BEGGARS have no more standing in China than they have in America, but no Chinese would think of questioning their right to organize. Even the thieves have their guilds, and when I was last in the Tung Ting Lake region, two guilds of pirates, one under a red and the other under a black flag, were fighting for the monopoly of piracy on the lake.

Probably the greatest reason why China is so slow about abandoning the useless and ridiculous queue, is because of the determined opposition of the barber guilds, one of the strongest organizations of the kind in China. The cutting of queues has been officially sanctioned many times, but some of the officials who sanctioned it have not had the courage to follow the reform they approve, because of their fear of the barbers' and allied guilds, whose members do not hesitate to defame the character of one who deprives them of trade by abandoning his queue.

Occasionally foreign trade, pushing its way farther and farther into
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