

# FACING LABOR ISSUES IN CHINA

Gokhale Institute of Politics  
and Economics, Poona 4.



BY

LOWE CHUAN-HUA

X:9.41  
G3  
21738

CHINA INSTITUTE OF PACIFIC RELATIONS  
SHANGHAI

*Copies of this book may be had at \$2.50 Chinese  
currency from the China Institute of Pacific  
Relations, 123 Boulevard de Montigny, Shanghai, or  
from the office of the Institute in Honolulu.*

*Printed at  
Shanghai, China*

# FACING LABOR ISSUES IN CHINA

Gokhale Institute of Politics  
and Economics, Poona 4.

# FACING LABOR ISSUES IN CHINA

BY

LOWE CHUAN-HUA

Industrial Secretary of the National Committee of the Young Men's Christian Associations of China; Sometime Lecturer for the Extension Divisions of the Universities of Wisconsin, Minnesota and Kansas; Editor of *Symposium on Japan's Undeclared War in Shanghai*; Author of *China's Labor Movement, etc.*

---

With Introductions by

CHEN KUNG-PO

Minister of Industry of the National Government of China

and

JULEAN ARNOLD

American Commercial Attache in China

---

CHINA INSTITUTE OF PACIFIC RELATIONS  
SHANGHAI.

X:9.41  
G3

*Presentation of this study for consideration in the program of the Banff Conference of the Institute of Pacific Relations does not imply that the Institute itself or the China Council assumes responsibility for statements of fact or opinion contained in it. These remain as much the personal expression of the author as would be the case if the contribution were communicated orally.*

21738

Since the completion of the Northern Expedition in the summer of 1928, the National Government of China has been concentrating its attention on the work of national reconstruction with a view to improving the livelihood of the people. The Kuomintang has long held the belief that in order to develop China into a strong and progressive nation, the needs of the masses must be given the foremost consideration and the standards of the workers be greatly improved. In carrying out this gigantic task, the National Government of China has repeatedly searched for co-operation from Europe and America, particularly from the League of Nations. The National Government as well as the people of China have been especially gratified with the assistance they have hitherto received from the various technical bodies of the League. It is the hope and conviction of many Chinese leaders that in rebuilding their national life on a modern foundation, not only their own people but also those of the West, whose economic welfare has become increasingly dependent upon the tranquility and prosperity of the Far East, will be benefitted.

Unfortunately, the Japanese invasion which began in Mukden on September 18, 1931, has tremendously upset the reconstructive efforts of the different branches of the National Government of China, and has indeed brought about a number of factors which render rehabilitation on a national scale almost impossible in the immediate future. The repercussions of Japan's undeclared warfare are manifest not only in the Three Eastern Provinces (Manchuria), but also in many other sections of China. Various systems of financial administration have been impaired; strategic lines of communication and transportation have been forcibly taken away from Chinese hands. The future of China's foreign trade has been seriously affected. In short, the onward march of the Chinese people towards economic regeneration has now been set back for at least two decades. Unless this senseless aggression on the part of a small group of irresponsible militarists is brought under control by the collective will of the civilized world, no rapid economic development can take place in this country. If the nations of the world are to escape from their present depression and chaos, they must immediately try to reshape their relationships, political as well as economic, on a basis of *reason and order*. The responsibility for achieving such a system of international relations, which will automatically ensure world peace and prosperity, rests not so much on China as on the entire family of nations.

China is now undergoing an unprecedented transformation. Few nations, if any, have had to experience several revolutions—political,

China can hardly be modernized overnight. Patience and sympathetic understanding of her problems are needed more than ever before. But when given the proper opportunity, the Chinese people, who have an extraordinary power of recuperation, will undoubtedly be able to get out of their present abyss and eventually gain their rightful place in the family of nations.

With the growth of modern industries, the labor situation in China is bound to have many radical changes. As a matter of fact, labor unions, strikes, industrial disputes, wages, unemployment and similar questions have already become acute issues in Chinese society. If China's industries are to grow and prosper, these problems must be faced with courage and intelligence. Mr. Lowe is to be congratulated for having given the English-speaking people such a comprehensive and illuminating study of China's labor issues as narrated in his present volume. Well written and authoritative, his book should be read by everyone interested in the development of China.

A handwritten signature in black ink, reading "Kung P. Chen." The signature is written in a cursive, flowing style with a large initial 'K' and a prominent 'P'.

Nanking, June 19, 1933.

faces facts courageously and is refreshingly constructive. He aptly states that, before any remedial measures can be made effective, China must attain some semblance of political stability and unification. He rightly lays particular stress upon the importance of his country's agricultural regeneration as the first essential to better economic conditions. In this connection he wisely advocates a national drive for rural betterment, including the conservation and expansion of the domestic industries of the village—the basic unit in the social life of China.

Our author points out that it is distinctly to the advantage of the nations of the West to co-operate with China in any efforts which its people may make to profit by the pioneering experiences which the economic and industrial history of the Occident may have to offer. China's transition will be far slower of realization if its people are obliged to trudge along making similar mistakes and delays in achieving a new economic balance to those that have characterized the industrial progress of Western nations. On the other hand, China should adapt rather than adopt the ideas and methods of more advanced economic societies. Thus, while the hours of labor and the conditions under which Chinese laborers are obliged to work in many of its industrial plants are sadly in need of reformation, it is neither to the advantage of the employee nor the employer that efforts be made precipitately to hurdle all of the intermediate steps in attempting to put Chinese laborers on a par with those of the West.

In the process of raising the economic levels of the great masses in China, vast opportunities for world trade expansion must follow. Concerted action by Western nations in an intelligently devised program for the encouragement of China's transition into a modern economic society will go a long way toward relieving the present deplorable world depression. Mr. Lowe exhibits a delightfully broad visioned attitude in decrying "Buy native goods" campaigns as leading in their final conclusions to a complete stoppage of international trade. He very frankly recommends the participation of foreign capital in his country's industrialization in the following words: "Devoid of political implications, foreign investments are more than welcome by the enlightened elements in this country and can render a timely service not only to the Chinese but also to the investing public in the West."



open door of equal opportunity, redound to the advantage of all other trading peoples. Mr. Lowe challenges the nations of the Occident wholeheartedly to co-operate in China's economic regeneration, rightly contending that the blessings accruing therefrom will be mutual. In light of the alluring opportunities presented by an actively progressive China, can Western nations afford to be indifferent to this challenge?

JULEAN ARNOLD

Shanghai, May 15, 1933.

of industrial and labor conditions in China, and in connection with his work has enjoyed the privilege of visiting practically all the important industrial and commercial centers in this country. He has also been able to inspect a great variety of industrial and labor organizations, and to meet with many government officials, industrial leaders and social workers. The considerable information and experience which he has gained should prove useful to those who are likewise engaged in trying to understand the complicated economic issues in China. The present volume, moreover, represents a humble attempt to fill a gap in that immense collection of literature in English which deals with the changes and problems of modern China, but none of which, in the author's knowledge, tries to present a comprehensive picture of the industrial and labor situation in this country.

One who has studied this field is, of course, fully aware of the difficulties of undertaking such a task and the limited facilities at one's disposal. Indeed, the presentation of such a picture as given in the following pages would not have been possible were it not for the utilization of the research work from many hands. The statistical data contained in this volume, it should be added, are intended merely for illustrative purposes, since statistical work in China is still in its infancy and its results are in numerous cases of questionable authenticity. But if the present volume should, in any small way, contribute to clarify the major industrial and labor questions in present-day China, and stimulate further and more thorough explorations on the part of those who are vitally interested in China's economic development, the author would feel amply repaid.

The preparation of this book is made possible by the interest of the National Committee of the Young Men's Christian Associations of China. To the following of his colleagues the author wishes to express his sincere appreciation for advice and criticism: Mr. Eugene E. Barnett, Mr. Daniel C. Fu, Dr. Ralph M. Hogan, Mr. S. C. Leung, Mr. Quentin Pan and Mr. Y. T. Wu.

A few of the chapters have appeared in the *Chinese Economic Journal*, the *China Critic* and the *People's Tribune* which have kindly permitted the reprinting of the material here. Finally, the author feels especially grateful to Dr. and Mrs. John E. Orchard of New York City, Mr. Julean Arnold, Mr. Y. S. Tsao and Dr. Fong F. Sec of Shanghai for reading over the manuscript and improving it in many respects.

C. H. L.

Shanghai, May 15, 1933.

ix

Gokhale Institute of Politics  
and Economics, Poona 4.

	PAGE
Introduction by CHEN KUNG-PO, Minister of Industry of the National Government of China.....	v
Introduction by JULEAN ARNOLD, American Commercial Attache in China.....	vii
AUTHOR'S PREFACE .....	ix
CONTENTS .....	xi
LIST OF TABLES.....	xv
CHAPTER	
I. THE ECONOMIC PANORAMA IN CHINA.....	I
China's Economic Crisis—Agricultural Disintegration and Its Causes—Foreign Trade Tendencies—Backwardness in Transportation and Communications—Growing Concentration of Wealth—Social Implications of the Economic Crisis—Economic Reconstruction and Its Relationships with the West.	
II. SOME PECULIAR FORMS OF CHINESE LABOR.....	19
The Recruiting System—The Labor Contractor—The Apprentice System—Ricksha Coolies—Some Much-needed Remedies.	
III. THE LABOR MOVEMENT IN CHINA.....	30
Significance of Chinese Labor Movement—Causes of Development—Decline of Guilds—Chief Stages of Labor Movement—Its Present Status and Tendencies—Government's Policy Towards Organized Labor—The Future Outlook.	
IV. STUDY OF SOME LEADING LABOR UNIONS IN CHINA.....	50
Classifications and Kinds of Labor Unions—Chinese Seamen's Union—Its Organization and Activities—Kwangtung Mechanics' Union.	
V. STUDY OF SOME LEADING LABOR UNIONS IN CHINA ( <i>continued</i> ).....	63
Commercial Press Employees' Union—British-American Tobacco Company Labor Union—Problems and Needs in Labor Organization.	

VI.	THE LABOR POLICY OF THE NATIONALIST PARTY..... Kuomintang's Socio-economic Platform—Attitude of Present Authorities Towards Labor Activities—Kuomintang's Contributions to Organized Labor—Some Criticisms of Kuomintang Labor Policy.	74
VII.	LABOR LEGISLATION IN CHINA..... Labor Conditions Under the Manchu Regime—Labor Laws of the Former Peking Government—Development of Labor Legislation Under the Nationalists—Labor Laws in Hongkong—Present Status of Labor Legislation in China.	82
VIII.	ENFORCING CHINA'S LABOR LAWS..... Problem of Extraterritoriality—Need of Strong Public Opinion—Machinery for Enforcement and Inspection.	91
IX.	PROBLEMS OF WORKERS' EDUCATION..... Need of Public Education—Present Educational Conditions—Defects in China's Educational System—Workers' Education in Shanghai—Some Recent Educational Experiments—Problems of Workers' Education in China.	104
X.	PROBLEMS OF UNEMPLOYMENT AND UNDER-EMPLOYMENT..... Unemployment and Under-employment in China—Extent of Under-employment—Its Main Causes—Conditions for Solving Under-employment.	115
XI.	INDUSTRIAL WELFARE IN CHINA..... Introduction of Welfare Work into China—Welfare Provisions of the Factory Law—Welfare Programs of Labor Unions, Factories and Social Agencies—Some Successful Experiments in Industrial Welfare—Limitations and Functions of Welfare Work.	124
XII.	CHINA'S RELATIONS WITH THE INTERNATIONAL LABOR ORGANIZATION..... History and Functions of the I. L. O.—China's Participation in International Labor Conferences—Influence of I. L. O. in China—Problems of Collaboration.	136

XIII.	WILL COMMUNISM CONQUER CHINA?.....	144
	Communism a Powerful Factor in Present-day China— Early History—Period of Expansion—Period of Terror- ism—Labor Conditions Under Soviet Regimes—In- fluence of Communism Among Chinese Workers—The Challenge of Communism.	
XIV.	CONDITIONS FOR ECONOMIC RECONSTRUCTION.....	158
	Reconstruction, China's Most Urgent Task—Nation- wide Agricultural Development—Policy of Financial Retrenchment—Taxation Reforms—Better Transporta- tion and Communication Facilities—Development of Purposeful and Creative Education—Promotion of Domestic Industries—Social Planning and Organiza- tion—Foreign Support and Co-operation—Economic Internationalism.	
APPENDICES:—		
	I. FACTORY LAW .....	177
	II. CHRONOLOGY OF IMPORTANT LABOR EVENTS IN CHINA.....	186
	III. MATERIALS FOR THE STUDY OF LABOR PROBLEMS IN CHINA	189
	INDEX .....	205

## LIST OF TABLES

	PAGE
1. NET IMPORTS OF RICE AND FLOUR SINCE 1920.....	2
2. EXCESS OF CHINA'S IMPORTS OVER EXPORTS 1912-1931.....	9
3. GROSS TONNAGE OF VESSELS OF THE WORLD.....	12
4. SHARES TAKEN BY EACH NATIONALITY IN CHINA'S SHIPPING TRADE .....	13
5. PERCENTAGE OF CONTRACT LABOR IN LEADING MINES IN CHINA	22
6. TOTAL VALUES OF MACHINERY IMPORTED INTO CHINA 1912- 1931 .....	35
7. GROWTH OF COTTON MILLS IN CHINA.....	35
8. GROWTH OF SILK FILATURES IN SHANGHAI.....	36
9. INCREASE IN THE NUMBER OF ORGANIZED WORKERS IN CHINA	36
10. INCREASE OF CIGARETTE FACTORIES IN SHANGHAI.....	36
11. NUMBER OF COTTON MILLS IN CHINA IN 1932.....	37
12. A COMPARATIVE TABLE SHOWING THE APPLICABILITY OF THE FACTORY LAW .....	103
13. NUMBER OF INDUSTRIAL WORKERS IN CHINA IN 1927.....	155
14. NUMBER OF HANDICRAFT WORKERS IN CHINA.....	155
15. ANNUAL DEFICITS OF THE NATIONAL GOVERNMENT OF CHINA	162
16. MILITARY AND DEBT EXPENDITURES OF THE NATIONAL GOVERNMENT .....	163

## **FACING LABOR ISSUES IN CHINA**

# FACING LABOR ISSUES IN CHINA

## CHAPTER I

### THE ECONOMIC PANORAMA

#### *China's Economic Crisis*

CHINA is in the grip of an unprecedented economic crisis. While at the present moment the Chinese people are overwhelmed by Japan's seizure of the Three Eastern Provinces and the terrific effects of the undeclared war in Shanghai and North China, a review of the economic situation in China will easily reveal that if she intends to do away with foreign aggression permanently the question of her economic rehabilitation must also be attended to at once. As long as she moved in an orbit of her own creation, her traditional economic organization had little need for improvement or modification. For centuries she had been free to work out her own edifice of production, distribution and consumption. But today the very foundation of this ancient bulwark is being endangered by the rising tide of modern industrialism and capitalism. Chinese agricultural life is falling into a state of derangement; handicraft industries are giving up the right of way to machine production; market conditions are changing rapidly; paternalistic relationships between employers and employees are yielding to the influence of modern labor unions; the family system is breaking down; new economic groupings are being formed and the whole economic panorama in China is taking on a new coloring. Willingly or unwillingly, China has now accepted the almost impossible task of reconstructing her socio-economic structure on a new basis. On the one hand, she must learn to absorb and harness the forces of modern industrialism and adjust her social institutions to the new order; on the other, she must speedily carry out certain fundamental economic improvements, without which she can never achieve real political unification and solidarity. At no other period in China's long history has a frank recognition of her economic plight been more needed than today. This chapter will briefly point out some of the more obvious indications of the Chinese economic crisis.



## *Agricultural Disintegration*

The first and most outstanding indication of China's economic crisis is the break-up of her agricultural system. It is an open secret that for several thousand years China's national economy has centered around agriculture, and that the little prosperity her people have enjoyed so far has been largely due to the success of her agricultural efforts. In the past, she has been able to export large quantities of tea, raw silk, rice, sesamum seeds, wood oil, eggs, hides, bean cakes and bean oil to various foreign countries. But in recent years the production of a number of important agricultural commodities in China has shown a tremendous decline; because of this and other factors her agricultural exports have also gone downward. Indeed, she has become increasingly dependent upon foreign foodstuffs to feed her teeming millions. Mr. Hu Han-min, a former head of the Legislative Yuan, asserts that China spends from \$300,000,000 to \$400,000,000 a year for foreign foodstuffs.<sup>1</sup> In the two principal forms of Chinese diet—rice and flour—the annual net imports have shown alarming increases during the last two decades, according to the reports of the Chinese Customs Administration:—

**TABLE 1**  
**NET IMPORTS OF RICE AND FLOUR SINCE 1920**

<i>Year</i>	<i>Rice Imports in Piculs</i>	<i>Flour Imports in Piculs</i>
1920 .. .. .	* 1,151,752	† 511,021
1921 .. .. .	10,629,245	† 752,673
1922 .. .. .	*19,156,182	†3,600,967
1923 .. .. .	22,434,962	5,733,503
1924 .. .. .	13,198,054	6,577,399
1925 .. .. .	12,634,624	2,811,500
1926 .. .. .	18,700,797	4,285,124
1927 .. .. .	21,091,586	3,824,674
1928 .. .. .	12,656,254	5,984,903
1929 .. .. .	10,822,805	11,935,296
1930 .. .. .	19,891,103	5,188,174
1931 .. .. .	10,740,810	4,889,275
1932 .. .. .	22,486,639	6,636,658

\*Rice and Paddy

†Flour (Wheat and others)

It is true that other countries which are highly productive in agricultural goods also purchase large quantities of foodstuffs from abroad;

<sup>1</sup>Unless otherwise stated, all monetary figures in this book are given in terms of Chinese currency.

but it should be noted that China is pre-eminently an agricultural country, that most of her agricultural imports could be produced within her own borders under normal circumstances, and that an adjustment in the right direction would greatly enhance her capacity to enjoy the things which the industrial nations of the West are particularly fitted to supply. While a minute exposition of the agrarian crisis in China is impossible here, its chief causes may be stated as follows:—

1. Civil wars and military interference. On top of all China's social evils and economic problems lies her internecine warfare. Well has Wu Tze-hui, a well-known Chinese scholar, said: "China's sufferings are caused not so much by nature as by man, nay, by the soldier." For more than twenty years China has been going through one war after another, and the effects of civil strife are anything but beneficial to the farmers. Banditry has grown by leaps and bounds, land taxes have been increased, agricultural implements and other forms of property have been wantonly destroyed, and the losses inflicted upon China's agriculture are indeed inestimable.

2. Natural calamities. The farmers in China are frequently cheated by the forces of nature. Drought, floods and famines are recurrent affairs. A study made by the University of Nanking shows that in the period between 108 B.C. and 1911 A.D. there were 1828 years when severe food shortage was felt in some section of the country. Rarely a year passes when some one of the provinces is not in a state of famine. In the year 1928-1929 the total area affected by famine was over 1,093 *hsien* or districts, comprising a population of at least 56,622,500 according to the reports of the National Famine Relief Committee. The flood in the summer of 1931 also caused immense damage to China's agricultural system, and directly affected about 25.2 million persons—a total that is approximately equivalent to the entire farming population of the United States. The extent of cultivated area flooded, spread over a total of 131 *hsien*, was about 87,000,000 *mow* or 14,500,000 acres, while the total loss in agricultural properties, crops, etc., is about 2,000 million dollars silver.<sup>2</sup>

---

<sup>2</sup>Department of Agricultural Economics of the University of Nanking: *The 1931 Flood in China, An Economic Survey*, University of Nanking, Nanking, p. 10.

The total quantity of food crops destroyed by the 1931 flood, valued at \$457,000,000, would have been sufficient to feed the present population of Shanghai (about 3,000,000) for nearly seven years.<sup>3</sup>

Fortunately, the National Government of China has spared no efforts to cope with this sudden catastrophe, and has within a few months reconstructed a total of 7,400 kilometers of dykes along the Yangtze river and thus enabled millions of flood refugees to return to their normal pursuits. However, due to excessive rainfall, frequent drought, the lack of good transportation facilities and similar factors the chances of famine remain great in many parts of China.

3. High rents and interest charges. Another cause for the agricultural disintegration in China lies in the high rents charged by the land-owners and the excessive interest rates demanded by the money-lenders in the country districts. In many parts of China, the farmers can hardly obtain any credit at less than 4 per cent per month. Rents on farm-land are equally prohibitive, though they are in most cases paid in goods instead of in cash. These rents ordinarily vary from 40 to 60 per cent, but in some cases they even go up to 80 per cent of what the land produces during the year. In a study of 641 farms covering six provinces of China, Professor J. Lossing Buck finds that on the average 40.5 per cent of the total farm receipts are taken by the land-lord.<sup>4</sup> The following data, published in the *Shanghai Sin Wan Pao* on December 15, 1932, indicate the percentages of farm produce that go to the land-owners in the form of rentals in some typical rural centers in China:—

<i>Name of Place</i>	<i>Percentage of Annual Production Taken by the Land-owner</i>
Kwang-san, Honan .. .. .	40
Ta-pu, Kwangtung .. .. .	50
Southern Yunnan .. .. .	50-60
Northern Szechuen .. .. .	66
Southern Kansu .. .. .	40
Tang-tu, Anhwei .. .. .	40
Tan-yang, Hupeh .. .. .	40
Chekiang .. .. .	40-60
Ta-ting, Kweichow .. .. .	50

<sup>3</sup>C. C. Chang: "The Flood Damage to Agriculture," *China Critic*, Shanghai, December 3, 1931.

<sup>4</sup>J. Lossing Buck: *Chinese Farm Economy*, Commercial Press, Ltd., Shanghai, p. 148.

4. Population exceeds supply of farm land. Although the total area of China, including Manchuria, Mongolia and Chinese Turkestan, is about 2,737,000,000 acres, only 29 per cent is reported to be physically available for the production of crops.<sup>5</sup> Calculating on the basis of a total population of 475,000,000 (which is the estimate given out by the Ministry of the Interior in 1931) the per capita cultivable land in China is, therefore, 1.67 acres, whereas in the United States it is 8.3 acres. The total area of cultivated land in China varies from a minimum of 179,180,000 to a maximum of 281,000,000 acres.<sup>6</sup> The estimate of cultivated land in China as published by the former Ministry of Agriculture and Commerce in 1918 was about 180,000,000 acres. Mr. Franklin Ho estimates that there is about six times as much cultivable land and exactly nine times as much cultivated land per capita in the United States as in China.<sup>7</sup> On the average the existing farm in China is a little over five acres in size, which must support an average family of 5.7 persons, according to the investigations of Professor J. Lossing Buck of the University of Nanking. The same authority reports that the density of farming population in North China is 621 per square mile, and in East and Central China it goes up to 839 per square mile. With the exception of Manchuria the various parts of China do not produce enough food to meet the requirements of the population. It is clear from these data that not only is China's population poorly distributed but also the growth of her population has taken a far greater rate of speed than her ability to produce. Unless the productivity of the Chinese farmers is greatly increased by the application of modern scientific knowledge and unless, simultaneously, some controlling influence is placed upon the growth of the Chinese population, they will always suffer from the natural operations of the Malthusian theory.

That the size of China's population has rendered it most difficult to raise the standard of living of her masses is also demonstrated by the investigations of other Chinese students of sociology. Using \$250 a year as the basis for the average family budget, Mr. Yu Tien-hsiu

---

<sup>5</sup>O. E. Baker: "Land Utilization in China," in *Problems of the Pacific* edited by J. B. Condliffe, University of Chicago Press, 1929, p. 328.

<sup>6</sup>R. H. Tawney: *A Memorandum on Agriculture and Industry in China*, Institute of Pacific Relations, Honolulu, p. 20.

<sup>7</sup>Franklin Ho: "Industries," in *Symposium on Chinese Culture*, China Council of the Institute of Pacific Relations, Shanghai, p. 279.

estimates that about 95 per cent of China's total population are probably living below the poverty standard. A recent author, Chang Tseng-tze, claims in his *Contemporary Social Evils in China* (張振之：目前中國社會的病態) that one-third of China's population may be described as destitute. Mr. Chang adopted \$130 to \$160 a year as the minimum sum of money for keeping the average Chinese family alive. Whatever the precise number of people who are destitute or dependent upon others for their livelihood, it is quite preceivable that poverty in China is not a local or transient evil but a deep-rooted and nation-wide curse. The famous economist, Henry George, once declared that nine-tenths of human distress and misery are due to poverty. Perhaps in no other country than in China is this truism more glaringly revealed.

5. Productive capacity of farming families. Because of the limited land at his disposal, the ordinary farmer in China does not have a business that is large enough to give him attractive profits. Of the food he produces every year a considerable portion is consumed by his own family. According to a study made by the International Famine Relief Commission around 1922, more than half of the farming families investigated in the villages of North China (with an average of 5.2 persons per family) reported a total income from all sources of less than \$25 gold a year.<sup>8</sup> At the same time, the Commission, with the aid of the Peking Union Medical College, worked out a livable standard for the average Chinese family of five members. The simple diet prescribed by the said institution, together with other fundamental necessities of life, would require \$75 gold per year which was three times as much as the farmers in the northern provinces had in 1922.<sup>9</sup> Data obtained from other studies of family incomes and expenditures in rural China also verify the validity of this conclusion. If 75 to 85 per cent of China's population are rural, then it is no exaggeration to say that the overwhelming majority of her people are living in constant danger of starvation. What makes the position of the average Chinese farmer more unbearable is that his total working time varies from only 60 to 150 days a year, and during the rest of the year he is largely idle

---

<sup>8</sup>Walter H. Mallory: "Famines in China," *Annals of the American Academy of Political and Social Science*, Vol. 152, November, 1930, p. 91.

<sup>9</sup>Ibid.

or unproductively occupied. It is true that in many parts of the country the farmer has developed certain auxiliary or household industries to enhance his family income, but due to the advent of foreign commerce and the operation of a number of adverse and often uncontrollable factors, he cannot regard these sources of revenue as steady or reliable.

6. Excessive taxation. Much of the agricultural disintegration in China is due to exorbitant taxation. While the National Government has considerably improved its methods of taxation and financial administration in recent years, the provincial and local governments have not been in a position to lessen the tax burdens of the people. In fact, the taxes to which the peasants in the interior of China are subject have greatly increased in size and in kind. The following picture of rural conditions in Shensi province is by no means an unusual one, but is quite representative of many sections of China:—

"The principal suffering borne by the farmer is the burden of extortionate taxes and duties. Since the abolition of *likin* in 1930, numerous forms of duties have been inaugurated instead of it. The burden of the new duties is heavier than *likin*. Up to date, in addition to the special production and consumption tax and business tax collected under the order of the National Government, duties which are exacted by the local governments are countless. Here are some of the principal ones: (1) land tax, (2) poll tax, (3) bandit-suppression dues, (4) military dues, (5) commissary dues, (6) people's militia dues, (7) land registration fees, (8) opium-land duty, (9) shares of the Provincial Bank (shares of the Shensi Provincial Bank are collected forcibly from the people every month, but no stock is given them), (10) provincial treasury notes, (11) green shoots dues, (12) village pacification fees, (13) rice duty, (14) trade tax, (15) special tax, (16) land deed examination fee, and (17) stamp tax.

"All the taxes and duties mentioned above are collected by the provincial government through the district governments. Besides, there are many different kinds of surtax which are levied directly by the district governments for their own maintenance. Let us take two districts as examples: Hanchung and Liupan. Hanchung (漢中) was formerly a very rich district in Shensi, but the tremendous increase in taxation has led the village into complete bankruptcy at the present time. In Hanchung there are two harvest-seasons a year, i.e., grain in autumn and wheat in spring. On the average, one picul of wheat and three piculs of grain can be harvested from a *mow* of land. One picul of grain costs \$2 to \$3 and one picul of wheat \$2.50. The total income from a *mow* of land amounts to approximately \$8 (including the harvest of beans, about \$2.50 for a *mow* of land). As to the farmers' burdens, in addition to \$3.50 of land tax for a *mow* \$12 are necessary to pay the other

different kinds of duties and surtaxes. In 1932, \$935,104 was collected by the provincial government and \$141,330 by the district government in Hanchung. How can the farmers bear such heavy burdens?

"Liupan (留壩) is a very small and poor district in Shensi. There are only 4,664 *mow* of mountainous land with over 20,600 people in the district. It is easy to imagine how poor the life of the farmer is. In spite of this, the duties have increased day by day. In 1921 when Wu Kwang-sin governed Shensi, \$26,000 were collected from Liupan in the form of taxes. At the present time, in spite of banditry and the decrease of population, the amount of duties apportioned to this district has increased to \$54,102. The products of a *mow* of land are valued at most at \$3, but over \$11 are needed to pay taxes."<sup>10</sup>

7. Growth of cities and industrial centers. Because of the lack of security in agricultural life and the growth of modern industries in the treaty ports, large numbers of people have in recent years gone into factory work and with them have gone their families and relatives. While the increases in population have been especially rapid in Shanghai, they are also remarkable in other treaty ports like Canton, Tientsin, Tsingtao and Hankow. As a result, there has been a widespread desertion of the farm.

### *Foreign Trade Tendencies*

A second indication of China's economic crisis is the steady increase in outpayments in her international economic relations without any measurable increase in national income. According to the records of the Chinese Customs Administration, China has not had any favorable balance of trade since 1877. In an article on the precarious nature of China's foreign trade published in the *Native Products' Monthly* in August, 1932, Mr. H. Y. Moh, former Vice-minister of Industry, declared that the unfavorable trade balances sustained in China during the last two decades (1912-1931 inclusive) altogether amounted to \$6,000,000,000 in round figures. The lowest unfavorable trade balance in the history of China's foreign trade was 16,000,000 Haikwan Taels incurred in 1919; but in recent years the adverse trade balance has been going up very rapidly. In 1931 it reached a total of 559,855,000 Haikwan Taels as indicated in the following table:—

<sup>10</sup>Henry S. T. Liu: "The Poverty of Shensi," *China Weekly Review*, Vol. 63, No. 6, January 7, 1933.

TABLE 2

EXCESS OF CHINA'S IMPORTS OVER EXPORTS, 1912-1931<sup>11</sup>

Year	Haikwan Taels
1912	102,576,628
1913	166,857,011
1914	200,822,419
1915	35,614,555
1916	34,609,629
1917	86,587,144
1918	69,010,051
1919	16,188,270
1920	220,618,030
1921	304,866,902
1922	290,157,717
1923	170,485,471
1924	246,426,209
1925	171,512,007
1926	259,926,482
1927	94,293,962
1928	204,614,283
1929	250,091,503
1930	414,912,148
1931	559,855,000

It is true that certain Western nations also have huge adverse trade balances, but unlike China those nations usually have a number of invisible exports (such as interest and indemnity payments from abroad, earnings from shipping, insurance, banking and other services) to offset their unfavorable trade balances and even to turn them into creditor nations. On the contrary, China does not enjoy any of these income-producing features except the annual remittances from overseas Chinese (which are now decreasing as indicated in a following paragraph) and the money which foreigners spend in maintaining their diplomatic, military, commercial and missionary enterprises in this country.

These tendencies in China's foreign trade should not cause undue alarm were it not for the fact that they also lead to China's increasing reliance upon foreign countries for many necessities of life. In spite of the fact that between 75 and 85 per cent of the people in China are engaged in agriculture, she has been compelled to purchase large quantities of foodstuffs and other farm products from

<sup>11</sup>Research Department of the Bank of China: *Statistics of China's Foreign Trade 1912-1930*, The Bank of China, Shanghai, p. 6.



abroad, as indicated by the following figures from the Chinese Customs Administration:—

Name of Product	Y E A R S			
	1920	1930	1931	1932
	Hk. Tls.	Hk. Tls.	Hk. Tls.	Hk. Tls.
Cotton & cotton yarn . . . .	96,681,617	132,301,814	183,174,906	130,161,311
Cotton goods . . . . .	168,124,982	139,702,643	116,986,161	201,588,657
Rice . . . . .	5,362,455	121,234,198	64,375,851	115,306,331
Sugar . . . . .	39,079,012	86,390,806	85,889,498	47,206,493
Tobacco & Cigarettes . . . .	34,968,812	56,865,961	61,719,462	27,233,935
Flour . . . . .	2,330,215	31,926,220	30,920,302	36,653,013
Fruits . . . . .	2,402,101	3,765,529	3,538,549	3,744,207
Timber . . . . .	12,050,008	23,177,570	34,684,680	20,557,057
Wheat . . . . .	33,297	12,830,690	87,639,301	52,058,964
Canned foodstuffs . . . . .		5,568,686	5,865,905	5,474,659
<b>Total . . . . .</b>	<b>361,032,499</b>	<b>603,765,117</b>	<b>674,793,895</b>	<b>638,984,627</b>

The loss of the Three Eastern Provinces to the Japanese militarists will have a most detrimental effect upon China's foreign trade, as these Provinces constitute the only section of the Chinese Republic which has been enjoying a favorable balance of trade. As Mr. Chang Kia-ngau, general manager of the Bank of China, states in "Some Economic Symptoms in China,"<sup>12</sup> as long as Manchuria remains in Japanese control, China will sustain a grand total loss in trade of about 470,000,000 Haikwan Taels a year, which is one-half of her entire export trade. According to the same authority, there is no likelihood in the immediate future of any large reduction in China's imports to redress her balance of trade or any important increase in the remittances from overseas Chinese. Indeed, Mr. Chang declares in his *Report of the Bank of China for 1932* that "unless world conditions soon improve and our people overseas are able to carry on their business activities with greater profit, it seems likely that overseas remittances to China will seriously decline. If the import of foreign wheat, rice and cotton continues in such large amounts, and if the loss of Manchurian trade cannot be remedied by new trade in other directions, our country may soon approach the time when our stocks of silver will begin to flow out of the country." All of the above-mentioned factors constitute a serious problem in the settlement of China's international economic obligations. Since the sharp decline in the purchasing power of the Chinese people is not merely a matter

<sup>12</sup>Chang Kia-ngau: "Some Economic Symptoms in China," *China Critic*, Vol. V, No. 40, October 6, 1932.

of domestic interest but also one of world concern, some form of social control over China's foreign trade relationships should at once be instituted.

### *Transportation and Communications*

Thirdly, China's economic crisis is complicated by her backwardness in transportation and communication facilities. Although China's total area is one-fourth larger than that of the United States, the total railway mileage of the two countries is, respectively, less than 11,000 and 250,000; the railway mileage per 100,000 people in the United States is 261 whereas in China it is only two.<sup>13</sup> The total mileage of motor roads in the United States is 3,000,000; in China it is only 40,000.<sup>14</sup> Because of the lack of modern transportation facilities, a great deal of the carrying trade is done by coolie labor. It is further estimated that there are at least 17,000,000 persons engaged as coolie carriers in the whole of China.<sup>15</sup> Since the transportation capacity of even a strong man is merely one ton a mile per day, and as the cost of transportation by coolie labor is anywhere from fifteen to fifty times the cost of transportation by railways, coolie labor is in the long run both slow and uneconomical.

However, the Chinese authorities have taken an increasing interest in building motor roads and new railway lines in recent years. Rapid progress in this respect is especially noticeable in the Three Eastern Provinces, which possess over one-third of China's total railway mileage. According to the National Good Roads Association in Shanghai, less than 100 miles of improved roads existed in China (excluding the foreign concessions) in 1921. Today there are no less than 40,000 miles of modern roads in the whole country. In fact, road building is now made an integral part of the reconstruction program of almost every province in China. Given five or ten years of peace, she will undoubtedly make still greater progress than she has shown hitherto in developing her transportation connections.

---

<sup>13</sup>J. E. Baker: "Transportation in China," *Annals of the American Academy of Political and Social Science*, Vol. 152, November 1930, p. 166.

<sup>14</sup>Julian Arnold: *China Through the American Window*, American Chamber of Commerce, Shanghai, p. 25.

<sup>15</sup>B. P. Torgasheff: "Man Power in Transportation," *China Critic*, Vol. IV, No. 25, June 18, 1931.

Shipping in China also needs immediate encouragement and expansion. While various maritime countries have equipped themselves with the most modern cargo and passenger carriers and while, in addition to meeting their domestic needs, their shipping facilities are able to take care of considerable carrying trade abroad, China has not developed a merchant fleet adequate to answer even her domestic requirements. This weakness is especially inexcusable when one bears in mind that China is endowed with a total coast line of about 5,000 miles, and a good number of navigable rivers and lakes. The following table shows the position of China's shipping industry as compared with those of other maritime nations:—

TABLE 3

GROSS TONNAGE OF VESSELS (OF 100 TONS AND UPWARD)  
OF THE WORLD<sup>16</sup>

<i>Name of Country</i>	<i>In gross tonnage</i>
British Empire .. .. .	22,784,383
U. S. A. .. .. .	13,546,620
Japan .. .. .	4,255,014
Norway .. .. .	4,166,839
Germany .. .. .	4,164,842
France .. .. .	3,557,006
Italy .. .. .	3,390,572
Holland .. .. .	2,963,840
Sweden .. .. .	1,715,984
Spain .. .. .	1,265,321
Denmark .. .. .	1,180,620
Soviet Union .. .. .	685,144
China (both foreign and native vessels) .. ..	361,832
Others .. .. .	5,696,293
<b>Total .. .. .</b>	<b>69,734,310</b>

What makes the matter worse is that of the total shipping tonnage for China, about 80 per cent has already passed the age of economic operation. This has been an additional cause for the propitious growth of the foreign steamship companies in China. The following table shows the tonnage of vessels engaged in the carrying trade from and to foreign countries and between the open ports of China, as well as the percentages contributed by the principal flags during two recent years:—

<sup>16</sup>From *Lloyds Register of Shipping 1933-35*, London, Vol. II, p. 1193.

TABLE 4  
SHARES TAKEN BY EACH NATIONALITY IN CHINA'S  
SHIPPING TRADE<sup>17</sup>

Nationality	1929		1930	
	Tonnage	Percentage	Tonnage	Percentage
British .. .. .	57,926,507	37.45	57,246,927	36.79
Japanese .. .. .	42,349,647	27.38	45,630,705	29.32
Chinese (including native vessels) ..	29,884,336	19.32	29,199,170	18.76
American .....	6,653,459	4.30	6,490,351	4.17
Norwegian .. .. .	4,618,901	2.99	4,218,277	2.71
German .. .. .	4,334,903	2.80	4,245,842	2.73
Dutch .. .. .	3,236,819	2.10	3,347,082	2.16
Others .. .. .	5,663,338	3.66	5,227,600	3.36
	154,667,910	100.00	155,605,954	100.00

From the above table it may be seen that more than 80 per cent of the total shipping business of China is done by foreign-owned vessels, and less than 20 per cent by Chinese vessels. Since facilities of communication and transportation constitute the most vital arteries of national existence, the Chinese should lose no time to develop this important industry and train men for its administration.

#### *Growing Concentration of Wealth*

A fourth unhealthful factor in the economic situation in China is the disproportionate concentration of the nation's financial resources in a few treaty ports and the shortage of capital for promoting productive enterprises. Because of the uncertain political situation in the interior regions, their increasing reliance upon the treaty ports and foreign countries for articles of daily use, and the hoarding of wealth in foreign banks on the part of Chinese militarists and politicians, there has been a steady influx of cash into the main cities and treaty ports during the last two decades.<sup>18</sup> As a result, one does not find any significant amount of capital or cash to carry on business in the country districts. Trading in the interior of China is now largely done with copper and paper currency, and

<sup>17</sup>China Year Book 1930-31, pp. 99 and 115; China Year Book 1931-32, p. 579.

<sup>18</sup>According to the *Quarterly Journal of Economics* of the Chinese Economic Society, December, 1932, p. 71, no less than \$300,000,000 worth of property were held by various retired ministers, politicians and warlords in Tientsin in 1928, and yet according to the investigations of the Ministry of Industry in June, 1931, the total amount of capital of the 1,100 registered corporations in China is only \$556,000,000.

the paper notes have often proved to be irredeemable and valueless. In the safety boxes of many households in the interior regions, one can find bunches of worthless paper notes issued by various irresponsible banks and military regimes. Bank failures and the closing of native money shops have become quite common in the small towns. A ten-dollar note can be changed only when its owner is willing to part with a fraction of it. Little wonder it is that agricultural life in China has been greatly retarded during the last few years.

In spite of the fact that large stocks of silver have entered into the treaty ports, very little cash there is available for developing productive enterprises because those who have money or control it for others find it much more profitable to invest their wealth in government bonds, real estate, commercial and even speculative activities than in industrial development. Middlemen and agencies of distribution have increased everywhere, but the forces of production have not mended their pace accordingly. The situation in Shanghai, where the influx of cash averaged \$6,000,000 per month in 1932, is especially noteworthy. Mr. E. Kann, a well-known writer on silver questions, estimates that the minimum amount of silver currency now in circulation in China is about \$2,200,000,000.<sup>19</sup> But the amount of dollar and tael deposits in Shanghai alone at the end of June, 1932, was about \$350,000,000 according to Mr. Chang Kia-ngau's estimate.<sup>20</sup> In his *Report of the Bank of China for 1932*, Mr. Chang states that at the end of December, 1932, the tael reserves of the banks in Shanghai amounted to 146,760,000 as compared with 62,250,000 taels at the end of 1931, while the silver dollars in Shanghai banks amounted to \$224,920,000 at the end of December, 1932, as compared with \$172,800,000 at the end of 1931. As a result, the banks in Shanghai have more money than they can profitably handle. Because of this unsound financial condition, it has been most difficult to restore agricultural prosperity or to develop industries in the major parts of China.

### *Social Implications*

Fifthly, with the advent of modern industrialism and capitalism, social conditions in China are experiencing a profound change. The

<sup>19</sup>E. Kann: "How Much Silver Is There in China?" *Chinese Economic Journal*, Vol. VIII, No. 4, April, 1931.

<sup>20</sup>Chang Kia-ngau: "Some Economic Symptoms in China," *China Critic* Vol. V, No. 40, October 6, 1932. \*

dislocation in the realm of social life is just as damaging as in the field of industry. Particularly in the cities and the treaty ports, one notices a swift and sometimes wholesale transformation in the people's outlook towards life and their conception of social values. Overwhelmed by the superiorities of Western civilization and the advantages of industrialization, a number of which are more imaginary than real, many Chinese have lost interest in their own cultural and moral heritage; instead they have become fervent disciples of modernism and commercialism. Traditional standards of private and social economy are no longer observed. The moral restraints which have for centuries governed the economic behavior of the Chinese people are being replaced by new criteria of social esteem. And so while thousands of people are sunk in the depths of hunger and disease, a considerable portion of the social energy in China is employed not to meet this deficiency, but to produce luxuries and trivialities. In this way, the economic structure in China is becoming more unbalanced, more turbulent and more heavily marked with inequalities and injustices. Amidst the whirlwind of the industrial revolution, Chinese employers are invariably tempted to take advantage of temporary factors for personal gain, without due regard for the welfare of society or of the other components of industry. At the same time, the Chinese workers have awakened and are demanding a larger share in almost every sphere of life. Concentrated in convenient and even strategic centers, the workers are becoming class-conscious and are beginning to feel their power of organization as well as the advantages of collective bargaining. To avert any undesirable social upheaval, their interests and problems should be given a more sympathetic ear than the Chinese have hitherto given them.

A survey of the working hours, wages and other conditions of treatment in Chinese industries will reveal numerous appalling circumstances. In the overwhelming majority of modern factories in China the working day is still between ten and twelve hours, while in the handicraft industries the working day even goes up to fifteen hours, seven days a week. Only a few modern factories and government-operated enterprises have adopted the eight-hour day. In the apprentice system the working time is especially intolerable. According to the data published in the *Shanghai Sin Wan Pao* on February 7, 1930, the working hours for apprentices in the various trades in Shanghai are as follows:—

Money shops .. .. .	10	hours
Pawn shops .. .. .	13	"
Clothing stores .. .. .	14-15	"
Silk stores .. .. .	14	"
Rice shops .. .. .	14	"
Printing shops .. .. .	15	"
Machine shops .. .. .	15	"
Book stores .. .. .	13	"
Tailor shops .. .. .	16	"

Working conditions in most of the factories in China are by no means satisfactory. In many silk filatures and small-scale industries, a large percentage of the working force is made up of minors who ought to be spending their time in the school-room. Until recent years labor legislation has hardly been heard of in China. Excepting the small funeral allowance that is sometimes given by the employer in case an employee dies in the course of employment, there is no compensation for accident or illness in the majority of cases. Much of the strange and dangerous machinery in the factories is unguarded, and accidents are quite frequent. Every now and then, one reads reports of the bursting of obsolete boilers, the collapse of old factory buildings, fires and similar catastrophes. Under the strain of the factory system where whole families work on the day and night shifts, family ties are rapidly breaking down, and traditional moral standards are thrown to the winds.

Excepting the mechanics and the foremen who receive relatively good remuneration, the average monthly wage for a female worker in the modern industries in China is not more than \$15, and that of a male worker is about \$20. At the same time thousands of workers receive wages below these figures. In a study of 230 working families in Shanghai in 1927-1928, Mr. Simon Yang and Mr. L. K. Tao found that the average expenditure per family per month amounted to \$32.50, but that the average monthly earnings of the male mill workers other than foremen were only \$13.85.<sup>21</sup> According to a study made by Professor H. D. Lamson of the University of Shanghai in 1930, the amount that is needed by the average working family of five members in Shanghai is \$415 to \$498 per year, excluding provisions for savings and education. But the average annual earnings for male workers in the thirty types of industrial operation in Shanghai, as investigated by the Bureau of Social Affairs for the last six months of

<sup>21</sup>Simon Yang and L. K. Tao: *A Study of the Standard of Living of Working Families in Shanghai*, Institute of Social Research, Peiping, p. 80.

1928, was about \$255 which could support only a man and his wife. Therefore, thousands of women and children are forced to seek factory work. Since wages for women and child workers are usually lower than those demanded by men and since the former group of people are much easier to control than the latter, there is a strong tendency among employers to hire women and children. This results in a number of evil practices among the foremen and the factory authorities. Gradually the women and the minors replace the adult workers, as shown in several industries in Shanghai.

Another serious handicap of the Chinese working class is their lack of educational opportunities and general illiteracy. Densely ignorant of the intricacies of modern economic organization and devoid of any trade education, the masses of Chinese workers have but little control over their own destinies and are, more often than not, completely at the mercy of the employers. Forced to work long hours, they have neither the time nor the energy to enjoy education. In their study of 230 working families in Shanghai from November, 1927 to October, 1928, Mr. Simon Yang and Mr. L. K. Tao found that the average educational expenses per family were less than 77 cents a year. According to an investigation made by the Bureau of Statistics of the Legislative Yuan, only 22 per cent of the 767 workers investigated in Wuhan could read.<sup>22</sup> Of the 195 workers investigated in Wusih only 10 per cent were literate.<sup>23</sup> It is safe to infer from these figures that the educational standard among the Chinese workers is extremely low, which means that they are easily misled by unscrupulous politicians and professional labor agitators.

### *Economic Reconstruction and the West*

Such, then, is the economic panorama in China. Her problems could easily be made more lurid if one were to go on discussing other colossal burdens of her people. However, as cursorily reviewed in this chapter, the general trend of China's economic life is quite obvious, and naturally has an adverse effect upon all labor

---

<sup>22</sup>Warren Chen: "Livelihood, Population and other Aspects of Workingmen's Families in Wuhan," *Statistical Monthly*, Nanking, Vol. II, No. 4, April, 1930.

<sup>23</sup>Tung Chi-yen: "A Study of Workmen's Families in Wusih," *Statistical Monthly*, Vol. I, No. 6, August, 1929.



conditions in the country. It presents a problem that should challenge the interest of all those (foreigners as well as Chinese) who are concerned with China's future development. To save her from downright bankruptcy and to develop her into a stabilizing factor in the family of nations, certain radical improvements are called for. Today nearly all nations are economically interdependent. Just as Europe and America are interested in pulling Germany out of the abyss of economic ruin, so too must they realise that their economic welfare in the Orient is closely bound with the prosperity of the Chinese people. A far-sighted policy of mutual co-operation and economic internationalism should be promptly adopted and enforced in the relationships between China and the Western nations. It is true that the Chinese themselves must roll up their sleeves, cease their internal quarrels and work out their own future, but as to whether they are to become a nation of beggars or a nation of 400,000,000 generous customers, the West has much to say.

## CHAPTER II

### SOME PECULIAR FORMS OF CHINESE LABOR

While it is an open secret that China is now on the threshold of an industrial revolution, it should be remembered that she has by no means entirely broken away from various medieval systems and practices, which still exercise a great influence on the lives of many of her people. Some of these peculiar forms of labor are near-slavery, and can hardly be abolished over-night as there is always an abundant supply of cheap labor in this country. In order to observe the labor situation in China with a proper perspective, this chapter will bring up a few of these peculiar problems.

#### *The Recruiting System*

First, there is the labor-contract system in the textile industry. Owing to the wide-spread depression in the rural districts, Chinese farmers have, in recent years, gladly permitted their wives and children to join factory work in the cities and have in this way given an opportunity to the city parasites to develop one of the most abominable forms of labor exploitation, namely, the recruiting system and what is popularly known in Shanghai as the "rice-bowl dealer (包飯作)." In the weaving and spinning mills in China, a large portion of the factory hands is procured through this type of recruiting agents. In a city like Shanghai, there are several hundred "rice-bowl dealers," who make their living by exploiting the ignorant cotton-mill operatives. Sometimes the recruiting agents have a definite agreement with the employers for hiring labor, as is the case with many of the Japanese mill owners in Shanghai, Tsingtao, etc. Sometimes the labor bosses have cultivated such influential connections with the factories that the latter delegate the function of hiring to them. The usual practice is for the employers to advance the traveling money to the recruiting agents who visit the surrounding country districts and bring the working girls into town. Eager to see their daughters or wives (as the case may be) obtain any kind of work in the city, the farmers are only too glad to enter into an agreement (sometimes verbal and sometimes written) with the recruiting

agents, whereby the latter undertake to find suitable jobs for the girls and give them whatever training or preparation is required for getting into factory work. During the course of employment, the girls have to turn all their earnings over to the recruiting agents. Usually what the girls get from the recruiting agents in the way of food or shelter is of a very poor grade, and the agents are consequently in a position to make attractive profits out of the girls' wages. In some cases the girls' account books are not in their own control, and so their wages are paid directly to the recruiting agents by the factory representatives. It is estimated that after paying for the girls' food and shelter the recruiting agents can often retain over 60 per cent of the girls' earnings, and therefore derive a monthly income that is even higher than that of the ordinary Chinese school teacher.

The obligations of the recruiting agents are quite elusive and elementary. They are supposed to give a compensation of something between \$30 and \$40 to the girl's family at the end of the contracted period. This is usually three years and occasionally one year, although in almost every case the contract is renewed until the girl reaches the age when the parents want to marry her off. This compensation is paid to the farmers in three installments, on a progressive scale. Besides their responsibility as to food, clothing and shelter, the recruiting agents can be held responsible in case the girls are found missing. The housing facilities provided for these girls are by no means comfortable, and since ordinarily the recruiting agent has a number of girls under his care, the beds are occupied almost all the time and are shared by both the day and the night shift workers. As the girls have practically no friends in the city and enjoy no freedom of action, they are also subject to a variety of forms of maltreatment and exploitation. It is not uncommon to find in the textile districts of Shanghai, for instance, that some of these girls, while earning money for their masters, are simultaneously made to serve as "mistresses" to some of the recruiting agents.

The recruiting system was first adopted in the foreign-owned factories largely because during the early days of Sino-foreign intercourse the foreign managers did not wish to be bothered with the difficulties of the Chinese language and of handling the Chinese workers, and therefore depended upon certain local elements to do the hiring at mutually agreed upon specifications. The abuses of this system are

now generally recognized, and it is hoped that with the spread of education and the enforcement of China's labor laws, the relationships between the workers and the employers will be rendered more direct and more agreeable.

### *The Labor Contractor*

The labor-contractor, moreover, exercises a pernicious influence in the mining enterprises in China. In fact, it has been estimated that of the 2,000,000 mining population in China no less than 80 per cent are affected by the labor-contract system.<sup>1</sup> This consists of a customary arrangement whereby the mine-owner delegates the hiring of labor to some middlemen, generally called the *poutou* (包頭), who are usually foremen and supervisors in the mine so that they may constantly watch over the labor they hire, and thus relieve the mine-owner from any direct relationship with the workers. Generally, the mine-owner does not care how many workers the contractor hires or how these men are treated, but is merely interested to see that a certain quantity of mineral is extracted and delivered at a specified time. The arrangement which the contractor makes with the miners is usually a casual or temporary one, and often after the contracted piece of work is completed, the miners are dismissed and left helpless. They are paid on the basis of what they produce, but the remuneration is pitifully low when compared with the wages in other important industries in China. The contractor usually deducts 10 per cent and sometimes 20 per cent of the miners' wages as his commission, and in cases where the operation and management of the mine is entirely entrusted to the contractor, his commission runs up as high as 60 per cent of the compensation for the work agreed upon.<sup>2</sup>

The miners usually have long working hours, and the living accommodations they rent from the contractor indeed have much room for improvement. The contractor also retains from 30 to 50 per cent of the miners' wages to cover their food. In the overwhelming majority of cases the miners are in debt to the contractor for money advanced for a variety of uses, so that when pay day arrives the miners see but little of their earnings. The mine-owner bears no responsibility

---

<sup>1</sup>*China Year Book*, 1932, p. 492.

<sup>2</sup>Unsigned: "Contract System in Chinese Mining," *People's Tribune*, Vol. I, No. 6, January 23, 1932.

for the workers' welfare since they are hired through the contractor. In case of illness, the miners may receive a travelling allowance from the contractor to return home, and in case of death their funeral expenses are borne by the contractor.

The labor-contract system has brought into existence a most powerful class of professional recruiting agents. Although attempts are being made to abolish this vicious system (as in the Kailan Mining Administration in North China, and the Fushun Colliery in Manchuria where during the last few years successful efforts have been made to bring the greater portion of the miners under direct employment of the Colliery through the granting of a special commission to the labor-contractors), contract-labor still constitutes the major part of the working force of those mines, which also employ part of their labor direct, as shown in the following table:—

TABLE 5  
PERCENTAGE OF CONTRACT LABOR IN LEADING MINES IN CHINA<sup>3</sup>

Name of Mine	Percentage of Contract Labor
Peipiao Coal Mine .. .. .	79 %
Hua Wu Coal Mine .. .. .	77 %
Liukiang Coal Mine .. .. .	75 %
Anshan Iron Works .. .. .	66 %
Kailan Mining Administration . . . . .	54 %
Tayagou Coal Mine .. .. .	54 %
Han-yeh-ping Iron Works.. . . .	27 %
Fushun Colliery .. .. .	25 %

The evils of the labor-contract system in Chinese mines can hardly be exaggerated; they not only breed misunderstandings between the workers and the mine authorities and prevent the workers from forming their legitimate trade unions, but also obstruct the development of a permanent well-trained class of miners to ensure a steady growth of efficiency in the mines.

The labor-contractor also functions in many other important occupations in China, as among the hotel and restaurant waiters, the wharf coolies, railway workers, and seamen. Because of the heavy expenditures involved in getting employment through the labor-

<sup>3</sup>B. T. Torgasheff: *Mining Labor in China*, Bureau of Commercial and Industrial Information, Shanghai, p.30.

contractors, many workers have incurred considerable debts and for the rest of their lives can derive very little benefit from their jobs. The situation among the wharf coolies is especially in need of reform. Organized into powerful gangs, the labor-contractors and their subordinates usually retain 60 to 80 per cent of what the steamship companies pay for the loading or unloading of cargo. When one bears in mind that in Shanghai alone, no less than 70,000 to 80,000 wharf coolies are under the domination of the labor-contractors and gang leaders, one may easily realise what an immense sum of money the wharf coolies have been losing year in and year out.

### *The Apprentices System*

Another labor problem peculiar to China and countries not yet completely divorced from medieval economy is the system of apprenticeship. Although it will gradually be disestablished by modern industrial and educational practices, it is still current in many Chinese industrial and commercial enterprises, particularly in the handicraft and small-scale industries such as dyeing, tailoring, printing, leather-manufacturing, soap-making, metallic trade, carpet and rug manufacturing, money exchanges, medicine shops and provision stores. It is commonly estimated that China has over 40,000,000 children of school age, who are not yet provided with modern educational facilities. Since it is an inexpensive and convenient method of disseminating trade education and, in this way, enables large numbers of poor children to solve the problem of their future livelihood, the apprentices system will undoubtedly continue to function for a long time to come.

Apprenticeship is, of course, a deep-rooted economic institution in China. Although it differs in its detailed operations in various parts of the country, its general principles are much the same and may be briefly described in the following paragraphs.

The period of apprenticeship ordinarily lasts from three to four years, though in some trades it runs into a much longer time. Under this arrangement, the apprentice, in return for what he can learn about the trade, is bound to serve his master for a specified period of time and is thus placed by his guardian under the master's complete control. During the period of training, the apprentice must obey the master's instructions and has practically no freedom of action, though during

certain festivals or holidays he may secure a brief leave of absence. He lives on the master's premises and, in addition to performing various duties in the shop, is often called upon to give personal services to the master's family. While in some shops the apprentice is required to pay a small tuition fee at the commencement of his apprenticeship, in others he may receive a small monthly or yearly allowance after he has served a portion of his term without demerits.

In case the apprentice quits the shop before his term of apprenticeship expires, his guardian must reimburse to the master whatever expenditure or damage has been sustained by the latter. During the apprenticeship period, the master is responsible for the boy's food, lodging and medical care, all of which are rarely of a commendable quality. In cases of illness or death, the apprentice has no claim against the master.

After the apprentice has served out his term, he "graduates" from the trade, and in commemoration of his graduation he must give some public recognition to his master, which usually consists of the giving of a feast and paying certain tributes to the latter. The apprentice may then become a regular member of the guild, and can either set up his own business or remain in the master's shop and work for regular wages.

The poorer classes in China have naturally found the apprentice system quite useful, as it offers their children an opportunity to make their own living during the period of adolescence and even to permanently remain in business life if they succeed in their apprenticeship. The written contract, which ordinarily accompanies the apprentice system, also puts certain definite responsibilities on the employer's shoulders, and thus relieves the parents of much worry and anxiety.

It is an open secret, however, that employers in China have too often utilized the apprentice system for obtaining cheap and docile labor. Indeed, in many Chinese enterprises the number of apprentices far exceeds that of the regular workers, and is surely too large to enable the boys to secure any helpful training from the master. Sometimes the master pays no attention whatever to the training of the apprentices, but is only interested in what he himself can get out of their work. The boys are tied down to certain simple working processes all the time and can hardly learn how to run the business as a whole.

The number of working hours for apprentices in the overwhelming majority of trades varies from twelve to fourteen, with hardly any rest on Sundays. The following testimony shows the physical and moral effects on the apprentices in the rug industry in Peking:—

“At the end of a day the boys are so tired that there is no energy left for constructive recreation. How much less is there ambition to try and study! To roll up in their quilts and stretch out on the ground just below the bench where they have perched all day is the most attractive prospect they can see.

“A number of diseases are very prevalent among these boys. It has been impossible to secure very accurate statistics, however, as no thorough physical examination of a large number of the boys has ever been made by a competent physician, but it is evident that there are large numbers with tuberculosis and trachoma.

“There are, too, the more subtle effects of fatigue on the working boy. At this period of late adolescence, he is particularly susceptible to the effect of long hours and poor food. His whole constitution is weakened and in every way he is made less fit for life.

“The effect upon the morals of the boys can hardly be exaggerated. In most of the shops they are constantly in touch with men who are older than they and doubtless they see and hear much that they misunderstand, and much that often they understand only too well.

“Intellectually apprenticeship stands for nothing. In only one or two shops has there been any attempt at all to do anything to help the boys to learn even the simplest fundamentals. This might be excused if they were prepared for life with the acquirement of a trade which they could use, but for many there is no future in the industry.

“This apprenticeship, which theoretically should prepare these boys for life, fulfills none of the requirements. It does not educate them, it fails to give them proper moral standards, it does not give them a trade which they can ply, nor does it make them in any way independent. It is a ‘blind alley’ job in every way. At present it can certainly be called nothing less than indentured child labor.”<sup>4</sup>

No legal protection for apprentices was attempted anywhere in China until December, 1929, when the Municipal Government of Greater Shanghai, with a view to reducing labor agitations, promulgated a set of Provisional Regulations concerning Apprentices.<sup>5</sup> Of these Regulations the more important features are as follows:—

---

<sup>4</sup>C. C. Chu and T. C. Blaisdell, Jr.: *A Study of the Rug Industry in Peking*, Chinese Political and Social Science Association, Peking, pp. 36-37.

<sup>5</sup>*Chinese Labor Year Book, Second Edition, Part III, pp. 228-229.*



1. When a factory or shop accepts apprentices, it must enter into a written agreement with their parents or guardians and must, in the said agreement, give the apprentices' names in full, their ages and birth-places, the nature of work to be undertaken by them, the number of working hours and the length of the apprenticeship period;

2. A factory or shop must maintain certain minimum standards regarding the number of apprentices and that of the regular workers;

3. No factory or shop shall accept apprentices who are below twelve years of age;

4. Apprentices who are below sixteen years of age shall not work for more than eight hours per day, shall be engaged only in light work and shall not work between the hours of 8 p.m. and 6 a.m.;

5. No apprenticeship period shall last more than three years;

6. The factory or shop shall bear full responsibility for the apprentices' food, lodging and similar personal wants;

7. In lieu of the food and lodging provided by the factory or shop, apprentices shall receive one-fourth of the regular worker's monthly wage after they have served one-half of their term, and one-third of the regular worker's monthly wage after they have served two-thirds of their term;

8. A factory or shop may cancel its apprentice agreement when: (a) it winds up its own business, (b) it finds the apprentice unfit for work or training, (c) the apprentice leaves his work without reason for more than three days, or (d) the apprentice refuses to obey the master's instructions or commits any criminal offence;

9. The apprentice or his guardian may claim damages from the factory in case of maltreatment or in case the apprentice is forced to perform services which are not specified in the written contract;

10. The factory or shop may claim damages from the parent or guardian if the apprentice breaks the contract without any proper reason.

In the Factory Law of the National Government of China, attention was also given to the protection of the rights and interests of the apprentices.<sup>6</sup> While a rigid enforcement of the above or similar regulations all over China would undoubtedly mitigate the sufferings of the apprentices, it is quite obvious that the apprentice system itself can never be totally eliminated unless there is a widespread industrial development in China to absorb a considerable portion of the present

---

<sup>6</sup>For full text of the Factory Law, see Appendix 1.

labor supply, and an extensive promotion of modern educational facilities to enable the poor to acquire the means of livelihood at practically nominal costs.

### *Ricksha Coolies*

Another form of labor that has no parallel outside of the Far East is ricksha-pulling. Introduced into China some forty-six years ago, the "man-power-vehicle" has now become popular in almost every town and city in this country, although it is generally admitted that ricksha-pulling is both an expensive and a very intolerable kind of employment. For those who are not acquainted with the practices of this vicious system, it may be explained that the ricksha-puller himself does not own the vehicle he plies (since rickshas cost about \$60 to \$70 a piece), but merely rents it at exorbitant charges from the ricksha *hongs* or companies, of which there are no less than 130 in the International Settlement of Shanghai alone. The ricksha *hongs* are required by the municipal authorities to pay the usual license fee, which runs from a few dimes a month in the small towns to \$2 a month in the big cities. The high rentals charged by the ricksha companies is a frequent cause for complaint and social unrest. In a strategic commercial district like the Shanghai International Settlement, the ricksha *hongs* charge a rental of \$1.20 or more a day for each ricksha, and in spite of the fact that this sum of money is put up by two coolies (the day and the night-shift coolies) their total earnings during the brief period when they are in control of the vehicle do not usually amount to more than \$2 to \$2.50, and sometimes much less. Thus a ricksha-coolie has to give as much as 50 per cent of what he earns as interest on a capital of \$60 to \$70 for a period of not more than twenty-four hours. A number of methods have been used by the ricksha-coolies to induce the ricksha companies not to increase the rentals on the vehicles. Petitions for reduction in hire charges sent to the various municipal authorities have usually been in vain. In September, 1932, it was reported that two brothers engaged in ricksha-pulling in Chinkiang even resorted to a hunger strike in order to arouse public sentiment and to prevent the ricksha *hong* there from raising its daily rental. Various attempts have been made to organize the ricksha-pullers, but have proved ineffective on account of the lack of education and the mobile character of the coolies, and sometimes because of the opposition of the authorities.

The age of the ricksha coolies varies, although the overwhelming majority of them are from 20 to 45 years old. A number of them are old men or young boys in their early teens, although recently the authorities in a number of municipalities have banned these from taking this form of employment. It is not easy to ascertain the physical effects of ricksha-pulling, but according to a survey made among the ricksha-men in Peiping by Mr. Franklin Lee, they usually stay in this occupation from one to five years.<sup>7</sup>

Another kind of suffering to which the ricksha-puller is often subject, but which is generally unknown, is the practice of extortion on the part of certain "retired ricksha-pullers" and similar groups of ruffians. In a large city like Shanghai the extortionists are very well organized, and their agents are widely distributed amongst the ricksha population and stationed in all the important public places. Various methods are used to exact money from the ricksha-pullers by this peculiar type of racketeers. Sometimes the extortionists steal the vehicle away from the ricksha-puller in such public places as railway stations, hotels and restaurants while the coolie goes inside to get his pay, and the ricksha will not be released unless a certain "fine" is paid. Sometimes the extortionists dress themselves like ordinary passengers and order the ricksha puller to take them to certain secretly designated corners of the city where the men are met by other conspirators and the ricksha-puller is forcibly deprived of his vehicle, which will not be "discovered" unless a large sum of money is paid to the gang leaders for "finding" it. Through the numerous tea-houses in the city of Shanghai, the extortionists have set up a very efficient intelligence service. In Shanghai there are about 18,000 public rickshas and between 80,000 and 100,000 ricksha-coolies, and so extortion amongst the ricksha population is quite a daily occurrence.

### *Some Much-needed Remedies*

Of course, men go into the ricksha-pulling business only when they can find no other form of employment. Although eventually the ricksha must be replaced by machine-driven vehicles, at the present time there are tens of thousands of ricksha-pullers in China, and

---

<sup>7</sup>*China Economic Journal*, Vol. VII, No. 1, July, 1930, p. 803.

together with their families, these people constitute an immense economic as well as ethical problem. While from the humanitarian standpoint ricksha-pulling should be totally abolished, some steps should be immediately adopted to ameliorate the sufferings of the ricksha-coolies, until the time arrives when they can be absorbed by the development of new industries in China. The license fee charged by the various municipal authorities, for example, should be reduced and the amount of rental charged by the ricksha *hongs* should be regulated by the government authorities. An age-limit for ricksha-pulling should be enforced. The occupation should be regarded merely as a temporary measure of unemployment relief, and the municipal authorities should set a time-limit for the ricksha-pullers to seek other forms of work, and thus their number may be gradually reduced. Moreover, in order to avoid public disorders and exploitation, the ricksha fares should be standardized and once decided upon, the standards should be strictly adhered to. The public safety bureaus in the various localities should do their utmost to protect the ricksha-pullers from the hands of the extortionists and racketeers. Above all, public control and ownership should be gradually extended into the ricksha *hongs*, and subsequently they may be turned from private money-making enterprises into government monopolies engaged purely for temporary relief purposes.

While it is impossible to go on discussing in this chapter all the peculiar labor practices in China, the needs and problems presented by the labor-contractor and other equally abusive systems are quite obvious: the promotion of mass education and general enlightenment, the need for strong organization among the rank and file of Chinese labor and the enforcement of certain legal conditions regarding the hiring of labor. Exploitation will always annoy the workers as long as they remain illiterate and uneducated. But as soon as they become more enlightened, they will realise the advantages of organizing their own unions and will be able to take care of their own interests. Above all, the authorities in the various parts of China should no longer remain indifferent towards the practices of the labor contractors and recruiting agents, but should apply proper legislation to reduce the number of these middlemen and to encourage closer and more direct dealings between the employers and the workers.

## CHAPTER III

### THE LABOR MOVEMENT

#### *Significance of Labor Movement*

No nation on earth has as large a labor population as China. Although the number of modern factory workers in China is estimated at not more than 1,500,000<sup>1</sup> her total working population, including the farmers and the handicraft workers, runs into a few hundred millions. In 1927 the Central Land Committee of the Kuomintang estimated that the total farming population in the whole of China was about 336,000,000, which constituted 84 per cent of her total population. A mass of proletarians such as China's is bound to wield, for good or for ill, a tremendous influence on her future development as well as on the economic progress of the world. While much has been written on the awakening of China, very little attention has been given to study the causes and the present status of such a significant mass movement in this country as the rise of organized labor, which has within a period of two decades achieved results that many Western labor movements have taken a hundred years to accomplish. It is commonly alleged that labor agitations in China are solely caused by Communistic propaganda, and it is also widely believed that the country may again become a paradise for employers as soon as the Red agents are exterminated from Chinese soil. However, if one should face the facts of contemporary history one would find that labor's awakening in China is caused not so much by any single external influence as by the remarkable political, economic and intellectual developments within.

#### *Causes of Development*

To begin with, the Revolution in 1911 paved the way for the propagation of new doctrines in China. It should be recalled that one of the immediate causes of the first revolution was the Manchu edict

---

<sup>1</sup>*China Year Book, 1931, p. 501.*

calling for state control and operation of the Canton-Hankow Railway and the projected Hankow-Szechuen Railway. Strongly opposed to this novel policy, the merchant and intellectual classes in the provinces concerned refused to pay taxes and declared strikes. A month or two after the 1911 outbreak in Wuchang, the first Socialist Party in China was formed.<sup>2</sup> Several noted Socialists were elected to the newly established Parliament in Peking. Socialist free public schools were opened, and large quantities of radical literature distributed over the country. Famous Western authors like Victor Hugo, Goethe, Kropotkin, Marx and Engels were rushed into print.

In his quarrel with Yuan Shih-kai in March, 1912, Dr. Sun Yat-sen explicitly stood for a Socialist government, and in an address before the Chinese Socialist Party he openly advocated the nationalization of land.<sup>3</sup> Meanwhile Kiang Kang-hu, a well-known Chinese literateur, started his campaign for neo-Socialism and Chen Tu-hsiu, a prominent radical, his propaganda for Communism. Because of the disparity of their doctrines from Chinese conditions, they obtained little support.

Interest in Socialism revived around 1913. In that year a few teachers and their student followers in the Government schools in Peking gained the confidence of ricksha-coolies and railway workers through educational and other services, and in this manner the "theoretical bolsheviks" assisted the laborers in organizing trade unions. The result was the formation of the National Labor Party in Shanghai in 1913 with a branch of 700 members at Tongshan, and the organization of the All-China Farmers' and Laborers' Federation in 1916.<sup>4</sup> Owing to political pressure both organizations soon went out of existence.

A further step forward in China's labor movement was the literary renaissance in 1917. When Dr. Hu Shih wrote his "Suggestions for the Reform of Chinese Literature" in *La Jeunesse*, he helped

---

<sup>2</sup>Kiang Kang-hu: "Socialism in China," *The Masses*, New York, October, 1914.

<sup>3</sup>Tao Yung-chen: "A Study of Land Policy and Rural Economics in China," *Labor Monthly* (in Chinese), Nanking, Vol. I, No. 7, November, 1932.

<sup>4</sup>Chen Ta: *Labor Problems in China* (in Chinese), Commercial Press Ltd., p. 602.

remove one of the greatest obstacles to the awakening of the masses. No sooner had he urged the adoption of a popular literary medium than numerous periodicals and newspapers appeared to champion his cause. The *Morning Light*, *Reconstruction and Emancipation*, the *Pacific Ocean*, *Labor*, *Progress* and the *Renaissance* show by their very names what their mission was. Besides its function of reducing illiteracy, which paved the way for the development of workers' organizations, the *Renaissance* imbued the people with a critical attitude towards the existing order of things and a yearning for reform.

Chinese workers who had served in foreign lands were also an important factor in the beginning of the labor movement, especially the 140,000 laborers who had served in the World War. A labor federation for Chinese workers in France was organized and registered with the French Government in January, 1920. It immediately won a membership of 6,000 and established thirty-six branches with the main headquarters at Paris. The workers returned to their homeland with new experience and ambitions, and began to practise what they had learnt in the West. As early as September, 1919, there was organized in Shanghai the Chinese Returned Laborers' Association. Its aims were to improve wages by group effort, to fight for the right to strike, the right to hold meetings and the right to make public speeches for promoting the common welfare of the workers. In 1920, there also appeared in Canton the Chinese Overseas Labor Union.

The Soviet Revolution in November, 1917, stirred up unprecedented hopes on the part of the workers all over the world. In 1919 M. Popoff came to Shanghai for the definite purpose of exploring the Chinese situation and its possibilities. As a result of his investigations, agents from Soviet Russia were sent to China and through their assistance the Chinese Communist Party was organized in 1920. In 1922 M. Joffe arrived at Peking. Although he was not received officially by the Chinese Government, yet he utilized his term of residence in convincing large numbers of students and the intelligentsia that Soviet Russia was the herald of a new era of freedom. In January, 1923, when Dr Sun Yat-sen was in exile in Shanghai, he spent several days in consultation with M. Joffe. As a result they issued a joint declaration, expressing the warmest mutual sympathy between the two parties and recording Russia's readiness to afford assistance to the Kuomintang.

The willingness of the Soviet Government to deal with China on a basis of equality and reciprocity, coupled with the presence of countless evidences of foreign capitalism and imperialism in this country, gave the Soviets an especially fertile field to spread their gospel of world revolution. Michael Borodin's visit to Canton in 1923 was both timely and effective, in spite of his disguise as a representative of the Rosta News Agency. The doctrine of class-struggle was extensively and systematically disseminated, and Chinese workers were soon organized everywhere on the trade union basis. Rightly or wrongly, the masses were told that their sufferings were largely inflicted upon them by foreign capitalists and imperialists, and that to remove these shackles they must organize themselves and establish a government of the workers, for the workers and by the workers. The famous Hongkong strikes of 1922 and 1925, and the May 30th (1925) Incident in Shanghai were substantially political agitations, in spite of their initial economic causes.

The Student Movement which began in May, 1919, exerted a tremendous influence on the workers in China. On June 5 that year when news of the arrest of nineteen students who had attacked the residences of certain pro-Japanese ministers in Peking appeared in the press in Shanghai, labor leaders at Nantao and Chapei took the lead in declaring strikes. Gradually the strike spread to all the important industries, including the Commercial Press, Chung Hwa Book Company, Nanyang Brothers Tobacco Company, the British-American Tobacco Company and even the public utilities. The Peking Government was forced on June 10 to remove the three "traitors" from their respective offices and to release the student agitators. The formation of student unions in Peking, Shanghai, Hankow, Canton and other cities precipitated similar action on the part of the workers throughout the country. Although modern strikes were said to have made their first appearance as early as 1912, it remained for the student unions to show the workers how to organize and use effectively such weapons as strikes and sabotage. Within a year after the Student Movement began there appeared several hundred different publications dealing with socialism, syndicalism, anarchism and the literary renaissance. It was this movement that induced the unionization of the workers of the Peking-Mukden Railway workshop and the Tongshan colliery.



Perhaps no other factor has done more to hasten the development of organized labor in China than the Kuomintang, especially during its period of co-operation with the Communist Party. The first as well as the second national congresses of the Kuomintang expressly recognized the necessity of improving labor conditions and of securing the participation of labor organizations in completing the Nationalist Revolution. Dr. Sun Yat-sen himself was particularly sympathetic towards labor, and was one of the founders of the Kwangtung Provincial Labor Federation, perhaps the first of its kind in China. Through his influence, the Canton Government promulgated the Trade Union Regulations in November, 1924, thereby putting trade unions on the same legal basis as employers' associations. By 1925-1926 there were over 600 labor unions in Kwangtung province alone. The intensive propagation of Communism, coupled with Michael Borodin's personal influence, subsequently brought all labor organizations under a national centralized leadership at the Second National Labor Conference in 1925. However, it was not until the Northern Expedition, 1926-1927, that organized labor began to expand by leaps and bounds. In the official declarations of the Nationalist Government and of the chief provincial labor federations, a tremendous emphasis was laid on the farmers and workers as the foundation on which the Revolution was to be carried on. Foreign visitors representing the left wings of Western labor movements, such as Tom Mann from England, Jacques Doriot from France, Earl Browder from the United States, and M. N. Roy from India urged the same policy and supplied added inspiration during their lecture tour within the then Nationalist territory.

Finally, the labor movement would not have made such quick progress were it not for the far-reaching industrial developments in China during the last two decades. The growth of modern factories (as illustrated by the following tables), the break-up of personal relationships in industry, the depreciation of currency, continuous civil warfare, low wages, the rapid increase in the cost of living, the almost habitual disregard of the workers' interests by the general majority of Chinese employers—these, together with the social forces described above, drove the workers into a united body in their attempt at economic emancipation.

TABLE 6

TOTAL VALUES OF MACHINERY IMPORTED INTO CHINA 1912-1931<sup>5</sup>

<i>Year</i>	<i>Value of Machinery Imports in Hk. Tls.</i>
1912	4,533,851
1913	4,700,455
1914	8,088,635
1915	4,380,749
1916	6,088,897
1917	5,439,770
1918	7,485,919
1919	14,591,635
1920	23,021,537
1921	56,578,424
1922	50,057,792
1923	27,141,059
1924	22,707,529
1925	15,798,530
1926	17,028,413
1927	18,392,551
1928	19,913,398
1929	30,620,671
1930	45,131,774
1931	44,875,706

TABLE 7

GROWTH OF COTTON MILLS IN CHINA<sup>6</sup>

<i>Year</i>	<i>No. of Mills</i>	<i>No. of Spindles</i>
1891	11	65,000
1896	12	417,000
1902	17	565,000
1911	32	831,000
1916	42	1,145,000
1918	49	1,478,000
1919	54	1,650,000
1923	120	3,550,000
1930	125	4,222,956

<sup>5</sup>The figures in this table were based on the reports of the National Tariff Commission, Shanghai, and included agricultural, electric, textile, propelling, printing and paper-cutting, pumping, distilling, sugar refining machinery as well as machine tools. Since practically all the machinery used in modern factories in China is imported, the trend of industrial development is almost identical with the rise and fall of machinery imports, excepting in those years when the increases in the value of machinery imports were caused by the sharp decline of silver as in 1930-31.

<sup>6</sup>Franklin Ho: "Industries" in *Symposium on Chinese Culture*, China Council of the Institute of Pacific Relations, Shanghai, p. 308.

TABLE 8

GROWTH OF SILK FILATURES IN SHANGHAI<sup>7</sup>

Year	No. of Filatures	No. of Reeling Frames
1890 .. .. .	5	1
1895 .. .. .	12	1
1900 .. .. .	18	5,900
1905 .. .. .	22	7,610
1910 .. .. .	46	13,298
1915 .. .. .	56	14,424
1927 .. .. .	93	22,168
1929 .. .. .	104	23,582

TABLE 9

INCREASE IN THE NUMBER OF ORGANIZED WORKERS IN CHINA<sup>8</sup>

Year	No. of All-China Labor Conferences	No. of Delegates Attending	No. of Organized Workers Represented
1923	First Nationals Labour Conference	50	230,000
1925	Second " " "	230	570,000
1926	Third " " "	514	1,264,000
1927	Fourth " " "		3,000,000

TABLE 10

INCREASE OF CIGARETTE FACTORIES IN SHANGHAI<sup>9</sup>

Year	No. of Cigarette Factories
1911 .. .. .	1
1912 .. .. .	2
1913 .. .. .	2
1914 .. .. .	2
1915 .. .. .	4
1916 .. .. .	7
1917 .. .. .	8
1918 .. .. .	9
1919 .. .. .	9
1920 .. .. .	9
1921 .. .. .	9
1922 .. .. .	9
1923 .. .. .	10
1924 .. .. .	14
1925 .. .. .	51
1926 .. .. .	105
1927 .. .. .	182
1928 .. .. .	94
1929 .. .. .	79
1930 .. .. .	65
1931 .. .. .	64
1932 .. .. .	60

<sup>7</sup>Franklin Ho: *Extent and Effects of Industrialization in China*, Nankai University, Tientsin.

<sup>8</sup>S. Li: "The Fourth All-China Trade Union Congress," *Pan-Pacific Worker, Hankow*, Vol. I, No. 2, July 15, 1928. The last figure in the table has greatly decreased with the decline of the Communist Party in China.

<sup>9</sup>From the *Chinese Economic Journal*, Shanghai, December, 1932, p. 426.

TABLE 11

NUMBER OF COTTON MILLS IN CHINA AS COMPILED BY THE  
CHINESE COTTON MILL-OWNERS' ASSOCIATION, MAY, 1932.

	<i>Chinese</i>	<i>British</i>	<i>Japanese</i>	<i>Total</i>
No. of mills .. .. .	84	3	41	128
No. of spindles:				
Yarn .. .. .	2,589,040	170,610	1,757,248	4,515,898
Thread .. .. .	141,750	—	246,306	387,809
No. of looms .. .. .	20,599	2,691	19,440	42,596
No. of workers .. .. .	172,687	13,000	74,440	261,127

### *Decline of Guilds*

Organization is not an altogether new phenomenon in the field of labor and industry in China. The guild system which still functions in some parts of the country, has contributed considerably to the growth of labor unions. It is chiefly founded on the craft or the territorial basis. Craft guilds are commonly called *hongs*, an example of which is found in the well-known temples of the God of Wealth: not so much temples as the official meeting places for the money exchangers. Guilds built along geographical lines are better known as *pang ko* (帮口), examples of which are the Ningpo and the Kiangsi guilds, the North and the South *pang*.

The guilds, however, are not intended to promote the interests of the workers as a class. They aim rather at the welfare of the trade or craft of which both the employer and the employee are members. The employers, because of their financial and social status, practically dominate the guild's policy and activities. With the break-up of the master-journeyman-apprentice relationships in the main industrial centers, the rise of absentee-ownership industries, and the development of class-consciousness, the workers have become dissatisfied with the guild system and feel the need of establishing organizations of their own. Indeed, many of the modern trade unions are but offsprings of the old guilds, of which a notable example is found in the Kwangtung Mechanics' Union.<sup>10</sup>

<sup>10</sup>In Y. L. Lee's *Report on Some Aspects of the Labor Situation in Canton in 1926*, it was stated that 74 of the 180 labor unions he had studied originated from guilds.

*Chief Stages of Labor Movement*

The development of organized labor in China may be conveniently divided into four periods: the embryonic stage from 1911-1920; the period of recognition from 1920-1925; the period of rapid expansion from 1925-1927, and the period of retrenchment and reorganization from 1927-1933.

During the embryonic stage, labor's organizing efforts, though invariably supported by the intellectual class, were often hampered by the repressive measures of the military governors or *tuchuns*. Although the right of association was acknowledged in the Provisional Constitution of the Chinese Republic, the stipulation was nullified by virtue of Article 224 of the Provisional Penal Code which provided that "when workmen in the same business combine in a strike, the ringleader shall be punished with imprisonment for a period of not severer than the fourth degree or detention, or a fine of not more than 300 dollars, and the others shall each be punished with detention or a fine of not more than 30 dollars."

It was not until 1919 that China's attention was officially drawn to the legal protection of laborers. The proposals brought before the Chinese delegation at the first session of the International Labor Conference in Washington were as follows: "The Commission on Special Countries attaches great importance to the acceptance by the Chinese Government of the principle of the protection of labor by factory legislation. It further suggests that a beginning should be made as soon as possible in the framing and administration of such legislation with reference to such important industries as now exist. The Commission therefore proposes that China be asked to adhere to the principle of the protection of labor by factory legislation, and that, further, the Chinese Government be asked to report to the Conference next year in what way it is prepared to apply that principle. It suggests for the consideration of the Chinese Government the possibility of adopting a convention embodying the principle of a ten hour day or a sixty-hour week for adult workers and an eight-hour day or forty-eight-hour week for employed persons under fifteen years of age; and embodying also the principle of a weekly rest-day. It suggests that all factories employing over 100 workers should come within the scope of the projected legislation."

Meanwhile underground organization went on and strikes were conducted even openly on several occasions. The first modern strikes in China were reported as early as 1912. In 1916 a strike was called by the policemen and employees of the French Concession in Tientsin in remonstrance against the illegal extension of the Concession boundary on the part of the French Consulate. In 1919, as a result of the Student Movement, a number of strikes and boycotts took place in Peking, Tsingtao and Shanghai, all of which were directed against the Japanese. Labor Day was brought to the attention of the masses through a radical magazine, *Labor*, in 1917, and the actual celebration of May First was said to have begun in Peking, Canton and Shanghai in 1920. Labor unions began to increase, and by 1919 it was reported that there were twenty-six unions in Canton and over fifty in Shanghai.

In the spring of 1920, the mechanics' strike took place in Hongkong. At its most serious stage, it affected about 9,000 workers and 30 firms. Through repeated negotiations between the officers of the Kwangtung Mechanics' Union and Mr. Johnston, representing the Hongkong authorities, an increase of 32½ per cent in wages was granted to all the employees including the apprentices. The success of this strike gave fresh impetus to the trade union movement, and in Kwangtung province alone over 100 new labor unions sprang up within a few months.

During the embryonic stage, organized labor was confronted with not a few serious handicaps. In the first place, the employment situation in the country being unfavorable, every worker was eager to hold whatever job he had and not to arouse any ill-feeling in his employer. Secondly, although the factory system had its abuses, they were comparatively not as ruthless and uncontrollable as the uncertainties and sufferings of rural life. Thirdly, the majority of the workers still retained a strong family spirit, and as long as they did not hear anything about modern trade unionism or the class-struggle, they were content to work without resorting to collective bargaining. Lastly, the oppressive policy of the warlords, coupled with the reactionary attitude of the foreign concession authorities, made it particularly dangerous and difficult for the labor organizer to do his work widely.

By the second period, 1920-1925, the authorities in South China began to realise that labor unions could be ignored no longer. Another

lesson came in the Hongkong seamen's strike in 1922. Ever since the close of the World War, the cost of living in the island had increased more than in any of the cities on the mainland. Added to this cause is the fact that toward the end of 1919 the foreign seamen who were already receiving better wages than the Chinese, were given a further increase of 15 per cent, whereas most of the Chinese seamen were still paid at pre-War rates.<sup>11</sup>

Since the shipping companies had twice refused to consider the seamen's demands for a wage increase, the Chinese Seamen's Union presented its third petition on January 12, 1922, and demanded a reply within twenty-four hours. Failing again to secure any satisfactory answer, some 1,500 deck hands and stokers struck on the morning of January 13. When on February 1 the British Governor of Hongkong proclaimed the Chinese Seamen's Union an unlawful society, a general sympathetic strike was declared which augmented the striking force to about 50,000, representing practically all the trades in the island. The strike, according to an estimate by Professor Chen Ta, affected 14 steamship companies and 166 vessels. Finally on March 5, 1922, an agreement was reached by means of which the seamen obtained a raise in wages of 20 to 30 per cent. The following day the Governor of Hongkong rescinded his order of February 1, and the same person who had removed the Union's sign-board was obliged to replace it. Influenced by the seamen's victory, the Kwangtung provincial authorities repealed Article 224 of the Provisional Penal Code, thereby removing the chief legal obstruction to organized labor in China.

The fight for the right to organize soon spread to Central and North China. About the beginning of 1923, workers of the Peking-Hankow Railway resolved to form a general federation of their local unions. A convention was scheduled to take place in Chengchow on February 1, 1923, for the formal opening of the Peking-Hankow Railway Industrial Union and for the adoption of its constitution. On January 30, however, Marshal Wu Pei-fu informed the authorities in Chengchow that all meetings which did not have the previous permission of the Government authorities should be prohibited. Martial law was soon declared and the Union premises were surrounded by

---

<sup>11</sup>Chen Ta: *Analysis of Strikes in China, 1918-1928*, Bureau of Economic Information, Shanghai, p. 14.

armed police. Although the laborers broke through the line of police and proclaimed the inauguration of the federation on February 7, a number of them were killed and wounded in the affray and their headquarters were immediately confiscated. A strike was at once declared; it quickly spread to the other railways, affecting a total number of 20,000 workers. Alarmed at the serious situation, several members of the Parliament in Peking demanded an investigation of the incident and pressed President Li Yuan-hung for a speedy settlement. At a special session of the Chinese Parliament, the following important resolutions were adopted: (1) that in accordance with the Provisional Constitution of the Republic, the Government should now recognize the right of the workers to hold meetings; (2) that the Government should pay proper indemnity to the families of the deceased or wounded; (3) that the Government should immediately withdraw the troops from the railway stations. Although outwardly the strike was a failure, yet it made the Government realize the growing strength of labor organizations and the necessity of adopting labor legislation. As a result a Presidential Mandate was issued on February 22 ordering the proper ministries to draft labor laws for Parliament's consideration, and on March 29 the Ministry of Agriculture and Commerce promulgated the Provisional Factory Regulations, the first specimen of modern labor legislation in China. Unfortunately the Regulations remained a dead letter, for the Government made no attempt to set up the necessary machinery for enforcing them.

Another significant point in the period of recognition lies in the first national congress of the Kuomintang held in Canton in January, 1924. At this congress the Nationalist Party, upon the recommendation of Dr. Sun Yat-sen, agreed to admit the Communists on the condition that they should pledge their allegiance to the Kuomintang principles. Although the Communist Party in China had been in existence since 1920, its activities thus far had been strictly banned by the authorities, and its strength in consequence negligible. Capitalizing the influence of the Kuomintang, Communist agents began anew to push on their program of organizing the proletariat in the country. Hence followed a notable revival of labor agitations in 1924 and 1925, and a stronger political emphasis in strikes and other labor activities. It was also during this time that labor organizations in China, which so far had been merely piecemeal and disjointed agitations, became consolidated into a national movement, nominally under the leadership of the Kuo-



mintang but actually under the direction of such radical leaders as Liao Chung-kai, head of the Kuomintang Labor Department, Su Chao-jen, head of the Chinese Seamen's Union, Tan Ping-san and Lee Lih-san.

Moreover, the Kuomintang congress in 1924 adopted a resolution to instruct the Nationalist Government to enact labor laws, to improve labor conditions and to protect labor organizations. Consequently in November of the same year, Dr. Sun promulgated the Trade Union Regulations which included:—

1. Recognition that trade unions and employers' associations are on an equal footing;
2. Recognition of the principle of freedom of speech on the part of the trade unions;
3. Recognition that trade unions shall have the right to conclude collective agreements with the employers;
4. Recognition that in case of disputes a union shall have the right to ask the employers to set up a joint arbitration committee, and the right to apply to the proper administrative authorities to conduct an inquiry or institute arbitration proceedings;
5. Recognition of the right to declare strikes;
6. Recognition that trade unions shall have the right to participate with employers in regulating hours of work, working conditions and factory hygiene;
7. Recognition of the principle that in disputes in a private industry, the Government authorities shall only investigate or arbitrate but shall not enforce their decisions by compulsion;
8. Guarantees to trade unions for the security of their property and belongings;
9. Provision that the prohibition of meetings and of association contained in the Provisional Penal Code of 1912 and the Law relating to the Preservation of Public Order of 1914 shall not be applicable to trade unions;
10. Encouragement of the principle of organization by industry.

During the second period of the labor movement, two national labor conferences were held. The first one, held in Canton from May 1 to 6, 1922, passed ten resolutions, of which the most important provided: (1) that all the trade unions should pledge one another financial support in case of strikes; (2) that labor unions should fight for the eight-hour day; (3) that the labor movement should be econo-

mic in character rather than political; and (4) that a constitution and organization of a permanent national federation of labor should be formulated.

The second national labor conference held in Canton in May, 1925, was dominated by the radical elements of the labor movement, including a large number of Communists. At this conference it was resolved to create the All-China Labor Federation whose aims should be to promote the trade union movement in China, to direct and unify the labor movement, to develop solidarity and education among the workers, to formulate common aims and policies, to arbitrate in labor disputes, especially disputes between unions, and to establish relations with international labor organizations. As a result, a momentous decision was made to affiliate with the Red International of Labor Unions. The formation of the All-China Labor Federation immediately gave a more colorful meaning to the labor movement and augured a greater degree of centralization of power. An interesting change soon emerged in the character of labor agitations in China. Thus far the principal cause of strikes had been economic pressure, with popular and patriotic sentiments playing a comparatively impotent role. But after the May 30th (1925) Incident in Shanghai, the labor movement, instead of being a mere device for securing economic betterment for the workers, swiftly became a political weapon. It was at this time that political slogans such as "Down with the imperialists" and "Down with the militarists" were coined profusely for popular consumption. In June, the Red Shanghai General Labor Union, suppressed after its brief existence in 1921, was revived. Following the May 30th Incident of 1925, over a hundred sympathetic strikes took place in various parts of the country, of which the Canton-Hongkong strike and boycott was the most severe. The strike was caused by the killing of a number of Chinese who had participated in a patriotic demonstration near Shameen on June 23. Immediately after the massacre, a boycott against Hongkong and the British Concession in Shameen was declared, and a special committee formed to enforce the strike. An army of about 2,000 pickets was organized "to preserve order, detect black-legging, maintain food embargo and search for boycotted goods." At its most serious stage the strike affected a total number of 200,000 to 250,000 workers and practically crippled the economic structure of the island.<sup>12</sup> The financial

<sup>12</sup>From the *Pan-Pacific Worker*, Hankow, Vol. I, No. 2, July 15, 1927.

loss sustained by the British in Hongkong was put at \$4,000,000 per day.<sup>18</sup> Its effect upon Hongkong's shipping interests was expressed by an officer of the British Chamber of Commerce as follows: "The number of British steamers which entered into the harbor of Canton during the period from August to December, 1924, varied between 240 and 160 each month. During the corresponding period of 1925 the number varied between 27 and 2." The Nationalist Government in Canton, according to an estimate by the Chinese Seamen's Union, spent no less than \$3,000,000 in supporting the strikers. During the long period of sixteen months several attempts were made to settle the strike, but none of them resulted in any satisfactory agreement. The situation was made more intricate by the assassination of Liao Chung-kai in August, 1925, and the subsequent split of the Kuomintang into the right and the left wings. On July 9, 1926, the Northern Expedition of the Nationalist Government began. In August a quarrel started between the right and the left wings of the labor unions in Canton over the membership question. The authorities at once seized the opportunity to obtain control of the labor situation. They issued regulations for settling labor disputes and prohibited the carrying of arms by laborers. With the capture of Wuhan by the Nationalist Revolutionary Armies and the necessity for the Kuomintang to give full attention to its military campaigns, the Nationalist Government unconditionally called off the Canton-Hongkong boycott on October 10, 1926.

The third period of the labor movement (from May, 1925 to April, 1927), may be rightly regarded as one of rapid expansion by the proletariat in China. The labor unions in Canton were especially active during this time. Writes Mr. Y. L. Lee: "At the time of our survey (August, 1926) there were about 250 labor unions in Canton. Although up to the present Canton has been essentially a city of home industries, its laborers are quite well organized, so much so that their organization can be favorably compared with that in some of the more industrially advanced countries. This was especially true between 1925-1926 when the city was dominated by the Communist Party. It is worth noting, however, that most of the leaders of the labor unions were not laborers but astute politicians. For this reason many of the

---

<sup>18</sup>Su Chao-jen: "Report on the Labor Movement in China", *Proceedings of the Pan-Pacific Trade Union Conference*, Hankow, May, 1927, p. 4.

strikes and union wars experienced during that period (1925-1926) were motivated by political rather than other considerations."<sup>14</sup>

Along with the advance of the Nationalist Revolutionary Armies, the influence of unionized labor spread over half the land like prairie-fire. Within a few months after the Nationalists' capture of Wuhan, the Hupeh General Labor Union was established and with it were affiliated about 200 labor unions in the province, these representing a total of over 300,000 members. At the fourth congress of the All-China Labor Federation held in Hankow, 1927, the total number of organized laborers in China was reported to be approximately 3,000,000.

While the gulf between the "Red" and the "Yellow" labor unions started as early as 1925, the former did not command any predominant voice in politics until the formation of the Wuhan Nationalist Government, which was openly a coalition of the Communists and the left wing of the Kuomintang and largely depended upon the labor and the peasant classes for its support. Naturally, during this time unusually good opportunities were given the proletariat for self-expression and development. In conformity with its revolutionary policy, the Nationalist Government in Wuhan created a ministry of labor in March, 1927, and appointed the noted labor leader, Su Chao-jen, to become its head. Organized labor thus became not only more powerful but also enhanced in dignity. In February of the same year, the International Labor Delegation composed of Tom Mann from England, Jacques Doriot from France, Earl Browder from the United States and M. N. Roy from India arrived at Canton and subsequently made a tour of Kwangtung, Kiangsi, Hunan and Hupeh, preaching wherever they went the blessings of a world revolution. In May, the first Pan-Pacific Trade Union Conference was held in Hankow, and about a month thereafter the fourth congress of the All China Labor Federation took place.

In Shanghai, too, organized labor was jubilant over the success of the Nationalist Revolutionary Armies and had been secretly paving the way for their coming. On February 17, 1927, the Shanghai General Labor Union called a general strike in order to weaken the morale of Marshal Sun Chuan-fang's army. The attempt was premature and

---

<sup>14</sup>Y. L. Lee: *Some Aspects of the Labour Situation in Canton*, published in Canton, 1928, p. 2.

within three days the strike was called off. When on March 21 the Nationalist troops had occupied Sungkiang and were marching towards Shanghai, the Shanghai General Labor Union called a second general strike and through its armed pickets directed a bold attack against the Northern guards in Chapei. On the following day the Nationalists occupied Shanghai, and labor felt it had found an atmosphere of freedom.

The golden age, however, was soon shortened through the adoption of a repressive policy towards labor by the conservative and, particularly, the military elements in the South China and the lower Yangtze regions. Alarmed at the excesses of the labor unions and at the conspiracies of the Communists in Central China, the authorities in Canton on April 14 raided all the Red unions in that city, including the Canton branch of the All-China Labor Federation, the Chinese Seamen's Union and the Kwangtung Provincial Peasants' Federation. More than 2,000 labor agitators were reported to have been arrested and many of the leaders killed as a result of the raid. Meanwhile, the garrison commander in Shanghai ordered an attack on the Red labor unions in Chapei. Fighting began on April 12 and lasted for two days. On April 15, the political department of General Bei Chung-hsi's army took over the Shanghai General Labor Union, and a committee for the unification of labor unions in Shanghai was immediately created. Later in the summer the military authorities in Wuhan copied the tactics of their partners in Canton and Shanghai. The quarrel between the Communists and the Kuomintang members of the Nationalist Government in Wuhan had at this time become quite open. On July 14, 1927, the Central Executive Committee of the Third International issued a declaration denouncing the Nationalist Government at Wuhan "for having started to oppress peasants and laborers." The situation became so strained that Michael Borodin had to pack up; he left for Moscow on July 27. Three days later the Wuhan garrison commander ordered his men to seize the offices of the All-China Labor Federation and the Hupeh General Labor Union. On the same day the Central Executive Committee of the Kuomintang in Wuhan issued a proclamation ordering the Communists to abandon their plots against the Nationalist Party.

To appreciate the Leftist point of view it is necessary to recall a statement given out to the press in Shanghai by Madame Sun Yat-sen

on July 27, 1927: "Madame Sun wishes to emphasize that the struggle recently going on in Wuhan is not between 'Reds and Moderates' but between civil and military officials. It was because of the triumph of the military elements that Madame Sun withdrew. Madame Sun further wishes to emphasize that she is in full sympathy with the so-called 'Red' wing of the Wuhan Government, because it is that wing that is supporting Dr Sun's fundamental principles of party government and the people's livelihood. As Madame Sun pointed out in her statement, the peasant and labor movement in China is neither a new nor an alien thing. Dr. Sun was working for China's laborers and peasants two decades before the word 'Red' was used as a term of opprobrium. It is those who wish to discredit this movement and that wing of the Wuhan Government supporting it, who see 'Red.'"

#### *Present Status and Tendencies*

With the fall of the Wuhan Government in the autumn of 1927 and the subsequent elimination of the Communists and the Leftists from the political arena, the labor movement dwindled into a stage of retrenchment and reorganization. As soon as the Kwangsi faction occupied the Central China provinces, it dissolved all the labor unions there. In Tientsin and Peiping, the laborers met with the same fate from the Shansi generals shortly after these two important cities were turned over to their control by the Nanking Government. In Canton all the labor unions, save a few "sleepy" ones, were closed. With the establishment of the National Government in Nanking and the reorganization of the Central Kuomintang, a new policy was adopted towards all the popular movements. At the Fourth Plenary Session of the Central Executive Committee of the Kuomintang held in February, 1928, it was resolved to abolish the Peasants', the Workers', the Youth, and the Merchants' departments of the Central Party headquarters, and instead to establish a department for the organization and training of mass movements. Henceforth the promotion and training of peasant and labor organizations was to be under the sole direction of the Party organs. All peasant and labor unions of a questionable character were to be either abolished or reorganized in accordance with the proper procedure promulgated by the Kuomintang. All slogans used during the period of co-operation with the Communists were to be dropped, and all publicity of the peasant and labor unions was from then on to be of an economic or educational nature. In short, the Kuomintang

then commenced to enforce its policy of moderation and doctrine of Party government. It claims that since the masses are ignorant and are apt to become the victims of vicious propaganda, the Nationalist Party should perform the duty of organizing and training all the mass movements in China. As soon as the laborers are able to assume this important leadership, the Kuomintang will turn over to their hands the direction of China's labor movement.

### *Government's Policy*

In conformity with this policy, the Kuomintang established in every one of the important industrial centers a so-called Labor Union Reorganization Committee, certain members of which are appointed by the Party organ in the locality concerned. On July 9, 1928, the National Government promulgated the Provisional Regulations for the Settlement of Disputes between Capital and Labor, thereby removing extreme labor agitations. Exactly a month later the Standing Committee of the C.E.C. of the Kuomintang adopted the Regulations relating to the Organization of Labor Unions, which formed the basis of the new Labor Union Law promulgated by the National Government in November, 1929. In March, 1930, after more than a year's trial, the Regulations for the Settlement of Disputes between Capital and Labor were revised. A Factory Law was promulgated by the Legislative Council in December, 1929, and enforcement was to begin on August 1, 1931.

Since its split with the Communists, the Kuomintang has stood for a positive policy of promoting co-operation in industry. While the present regime in China does not acquiesce in unwarranted labor agitations, it claims that it has done its utmost to carry out its determination of affording legal protection to labor's legitimate interests. The National Government has also shown a great interest in the international aspects of China's labor problems. In May, 1929, China sent, for the first time after joining the International Labor Organization, a complete delegation to the twelfth session of the International Labor Conference at Geneva, since which time there has been a growing extent of co-operation between China and the International Labor Organization.

*Future Outlook*

Such have been the ups and downs of the labor movement in China. Although it is impossible to forecast its future, certain immediate problems and needs of the Chinese labor movement are quite perceptible. Perhaps the most urgent question which the labor movement in China has to face is the development of a strong, unselfish and far-sighted leadership. As indicated elsewhere in this volume, the overwhelming majority of the labor organizations are controlled by a limited number of petty politicians, professional union officials and gangsters. Genuine participation in trade union activities on the part of the rank and file of Chinese labor is still lacking. Perhaps in no other group of people in China is the need for intelligent and public-spirited leaders as acute as it is among her working population.

Secondly, efforts should be made to build up a well-coordinated and unified program for the Chinese labor movement. At the present juncture, labor unions in China have not developed a national leadership or a closely-knit national platform, and they frequently act without any coherence. Indeed, many of the labor organizations are conflicting in their policies and activities. Unless these unions give up their individual idiosyncrasies and petty differences for the sake of larger and more permanent values and learn to march in unison, the labor movement in China will always remain a weakling and a prey of political and financial interests.

To escape from extraneous influences and useless political entanglements, the labor movement in China should discover and formulate a social philosophy of its own. Instead of borrowing unworkable slogans from abroad or accepting sugar-coated formulas from political parties within, the labor movement must find out for itself in what direction it should travel. In order to make this discovery, labor leaders should acquaint themselves and their followers with the historical background as well as the present needs of China's economic life. Only through a careful examination of their own national economy can the workers find out the kind of policies and programs they ought to pursue in their movement towards emancipation and independence. Only a movement that is founded upon the workers' own interests and shaped by their own hands can be of any really lasting value to the toiling masses in China.



## CHAPTER IV

### STUDY OF SOME LEADING LABOR UNIONS IN CHINA

#### *Classifications and Kinds of Unions*

Since the emergence of the Nationalist Revolution in China, no other social organization has aroused as much anxiety, disturbance and heated discussion among industrial and business circles as the labor union. How many labor unions there are in China today and how large their membership is are questions which no one can answer definitely, since these numbers fluctuate widely with the ups and downs of the domestic political situation. However, a few official estimates may be reviewed here. In a survey made in the latter part of 1928, the Ministry of Industry of the National Government found that there were altogether 1,117 labor unions in China with a total of 1,773,998 members,<sup>1</sup> which was a little more than one-half of the number of organized workers reported at the Pan-Pacific Trade Union Conference in 1927. A second investigation was made by the Ministry of Industry in the spring of 1930 and covered twenty-seven important cities, representing nine provinces of China. In this study, the Ministry of Industry found that there were only 741 labor unions, with a total of 576,250 members. The big difference between the total number of organized workers for 1928 and that for 1930 is due partly to the efforts of the Kuomintang to reorganize labor unions in various parts of China and to the occurrence of civil war, which prevented the second investigation from reaching quite a few important sections of the country. In both the 1928 and the 1930 studies, Kwangtung province had the largest number of labor unions while Kiangsu province came second. Of the various industries, cotton weaving and spinning, transportation and communications, and the machine industry were the three most extensively unionized. In April, 1932, the Ministry of Industry gave out a report which showed that there were only 621 labor unions in China, although it did not give the exact number of union members.

---

<sup>1</sup>*Chinese Labor Year Book, Second Edition*, Institute of Social Research, Peiping, Part II, pp. 15-16.

Though still in its infant stage, the labor union is so widespread in China that its very name has already become a much over-worked term. It is freely used by a variety of workers' organizations, ranging from the Chinese guild of the medieval type to the trade union in the Western sense. In general, labor unions in China may be classified in two ways: geographically and politically. In the first category there are the district (*hsien*) labor union, the municipal labor union, the provincial labor union and the national federation of labor. The All-China Labor Federation (中華全國總工會) under the leadership of the late Su Chao-jen and Lee Lih-san, was for many years the recognized spokesman of the labor movement in China, but since the expulsion of the Communists from the Kuomintang the All-China Labor Federation has ceased to function publicly and legally speaking there is no national federation of labor in China today.

Speaking politically, we have the "Red", the "Grey", and the "Yellow" labor unions. The "Red" unions do not exist openly but are reported to be quite influential, especially in strategic industrial centers like Shanghai, Hankow, Canton and Tientsin. The "Grey" unions refuse both the direction of the Kuomintang and of the Communists. The "Yellow" or Fascist unions are openly organized and run by the appointees of the various Kuomintang branches in China, and have enjoyed a rapid growth since April, 1927.

In order to gain public favor and the support of the workers, many guilds, pseudo-unions and "company unions" also call themselves labor unions. Even workers' organizations of a recreational nature and bogus societies formed for exploiting the ignorant workers exist under the name of labor unions. Therefore, in studying labor organizations in China extreme care should be exercised to discover the exact nature of their status, activities, historical backgrounds and methods of organization. For this purpose the following cases, which represent some of the most powerful labor unions in China, are presented:—

#### *Chinese Seamen's Union*

Of the few national labor organizations in China, the Chinese Seamen's Union is perhaps the most conspicuous not only because it has played a most dramatic role in the Nationalist movement in South China, but also because it commands a widespread influence at home

and abroad.<sup>2</sup> Although as early as 1911 Chinese seamen in Liverpool had organized themselves to cope with the antagonism of the British sailors, it was not until 1913 that systematic efforts in organizing a Chinese seamen's union were undertaken. When Dr. Sun Yat-sen failed with his scheme for the Second Revolution, he commissioned several of his followers to organize the Overseas Communications Department of the Lien Yi Society at Yokohama ( 聯誼社海外通交部 ) as an instrument to facilitate the transportation and communication affairs of the Revolutionary Party and to get the seamen to become active participants in the Revolution. In 1914 a branch of the Chinese Revolutionary Party ( 中華革命黨 ) was established on the S. S. *Monteagle* where over twenty comrades were enlisted to start an organization among Chinese seamen for the purpose of pushing forward the Revolutionary movement and of working towards their own economic emancipation. The new organization was called the Seamen's Mutual Benefit Society ( 海員公益社 ), which immediately began its work on the S. S. *Empress of Russia*, the S. S. *Empress of Asia* and other ocean-going vessels. Later, a branch of the society was opened at Yokohama while the headquarters remained on the S. S. *Monteagle*. Still later, the Society moved its headquarters to Hongkong and registered with the Secretary for Chinese Affairs under the new name, Seamen's Philanthropic Society ( 海員慈善社 ). It began to enlist members from among the boarding houses in the island, but as it was generally suspected of being a purely revolutionary society, it failed to obtain any extensive support.

Prior to their organization, Chinese seamen were completely at the mercy of the labor contractors and recruiting agents. Inoculated with propaganda by the Seamen's Mutual Benefit Society and the Seamen's Philanthropic Society, the seamen gradually developed a strong agitation against the labor contractors. A mass meeting of the seamen on the Canadian Pacific vessels was held secretly in Hongkong, at which a representative was elected to approach the Secretary for Chinese Affairs for support, and a resolution calling for a general strike was adopted.

However, "labor traitors" seized this opportunity to make personal gains and arranged to supply the Canadian Pacific vessels

---

<sup>2</sup>Data for this section are chiefly obtained from the *Seamen's Monthly*, published by the Chinese Seamen's Union at Canton and Shanghai.

with lower-paid substitutes. As a result, not only was the much abused recruiting system unchanged but also many of the seamen who had participated in the agitation were turned out of employment.

Later, however, renewed efforts were made to establish a modern union among Chinese seamen. In 1920 the official name "Chinese Seamen's Union (中華海員工業聯合總會)" was given by Dr. Sun Yat-sen and was registered with the Ministry of the Interior of the then Military Government in Canton. In January, 1921, a British lawyer named Britton sent on behalf of the Union a petition to ask for registration with the Hongkong Government. On February 28 of the same year, Dr. Sun, in his capacity as Generalissimo of the Canton Government, sent a personal representative to attend the inauguration ceremony of the Union in Hongkong.

Two or three months after its formation, the Chinese Seamen's Union created a special committee (加薪維持團) to study the question of remuneration and to make recommendations for improvement. On January 12, 1922, the Union presented its demand for a wage increase to the shipping companies in Hongkong and upon the latter's refusal to comply with this request, the Union declared a strike on the following morning. The direct loss of the British shipping firms during the strike was reckoned to be \$5,000,000, while the indirect loss must have been much greater. The workers lost about \$200,000 in wages during the fifty days of strike, although they were provided with sustenance grants (from 45 cents to \$1.00 per day) contributed by labor unions in China and sympathetic merchants abroad.<sup>3</sup> As the men returned to Canton, they established a branch union. On March 6 the strike was settled in the seamen's favor and the sign-board of the Union, which had been taken off by the Hongkong authorities, was replaced amidst cheers and fire-crackers. Another interesting point may be noted here. As a condition for calling off the strike, the Union demanded an indemnity of \$200,000 (some reports state \$360,000) to cover the losses sustained by the workers during the strike period. The demand was accepted by the shipping companies and a prominent leader in Hongkong was secured as guarantor. However, the indemnity remains unpaid up to the present time.

---

<sup>3</sup>These figures were given the author in an interview with the officers of the Chinese Seamen's Union in Canton in the fall of 1928.

Further support for the Nationalist movement in South China came from the Union shortly after Dr. Sun reorganized the Kuomintang in 1924. In remonstrance against the May 30th Incident of Shanghai and the June 23rd Incident of Shameen, 1925, the Union declared its second general strike and joined hands with Canton in a vigorous boycott against Hongkong. Once more the Union moved its office back to Canton. When on October 10, 1926, the Nationalist Government voluntarily declared the cessation of the boycott against Hongkong, the Union transformed its former headquarters into a branch union only. This branch was, however, sealed up by the Hongkong Government in the following June and has never been reopened.

In October, 1927, the Union moved its headquarters from Canton to Shanghai so as to be in closer touch with the Central Kuomintang and the National Government in Nanking, and to give proper attention to the field around Shanghai. On May 19, 1928, the branch union at Canton was closed by the authorities "there for alleged Communist activities. It should be recalled that on several occasions the control of the Union went into the hands of the Communists, thereby inviting its suppression by the Nationalist authorities at various intervals. The fact that the Union has been divided into opposing camps also explains its frequent removal from one place to another. Authentic information regarding the Communists' administration of the Union is not obtainable, but it is safe to state that no other Chinese Communist played a more important role in the Union's history than the late Su Chao-jen (蘇兆鐵) who was one time chairman of the All-China Labor Federation and later, the Minister of Labor of the short-lived Wuhan Nationalist Government. On June 5 of the same year the chairman of the Union sent a petition to the Canton Branch of the Central Political Council (廣州政治分會) asking for permission to reorganize the Union there. As a result, the Department of Agriculture and Labor of the Kwangtung Provincial Government (廣東農工廳) gave consent to have the Canton branch changed into the main headquarters of the Chinese Seamen's Union, and appointed a committee of seven persons to carry out the task. In October, the chairman and other officers of the Union sent another petition to the Central Kuomintang at Nanking asking for support to take over the competing Union at Shanghai. On November 6, 1928, the Department for the Training of Mass Movements of the Central Party Headquarters

( 中央黨部民衆訓練部 ) gave sanction to the petitioners to recognize the Union in Shanghai. On January 1, 1929, the Union in Canton was transformed into a branch office, and the one in Shanghai was officially reorganized as the main headquarters of the Chinese Seamen's Union. At present, it has branches in Foochow, Amoy, Swatow, Canton, Wuchow, Siam, Hankow, Kiukiang, Wuhu, Chungking, Tientsin, Tsingtao, Wenchow, Woosung, Yokohama and several other ports.

As indicated above, much of what the Union has achieved in Hongkong through the two famous strikes is now lost. The Hongkong authorities are closely watching all labor activities and even play a part in reorganizing workers' clubs and labor unions by requiring conformity with government regulations. The Chinese Seamen's Associated Union ( 中華船員工會 ) is a fair example of the "company unions" now in existence in the island. The Chinese Seamen's Union in Shanghai naturally regards the one in Hongkong as a reactionary body and a tool of the employers. It may be added that the Hongkong Government does not allow its labor organizations to have any affiliation with labor unions in China.

Notwithstanding these obstacles the Chinese Seamen's Union is determined to restore its Hongkong branch. On September 14, 1928, the Union created a special committee to make the necessary preparations for reopening its office in the island. In January, 1930, the Union submitted a petition to the Central Kuomintang asking for its assistance in the matter. As a result, the Kwangtung Provincial Kuomintang ( 廣東省黨部 ) was ordered to make an investigation of the case. In its report to the Central Party Headquarters, the Kwangtung branch states that the Hongkong authorities have utilized notorious labor contractors to put up the "bogus" Chinese Seamen's Associated Union which has overthrown all the previous conditions of treatment gained by the seamen, and that the Hongkong branch of the Chinese Seamen's Union should be at once restored in order adequately to protect Chinese workers. By order No. 734 of the Department for the Training of Mass Movements, the Ministry of Foreign Affairs was notified to instruct the Commissioner of Foreign Affairs in Canton to co-operate with a representative of the Union in negotiating with the Hongkong Government for a speedy settlement of the issue.

Meanwhile, the Union endeavored to solicit the support of the International Labor Office in Geneva. At the thirteenth session of

the International Labor Conference, Liang Teh-kung (labor delegate from China and representative of the Chinese Seamen's Union) proposed a draft resolution concerning the right of association of foreign seamen. Failing to obtain the necessary quorum, the resolution was not adopted. A petition for restoring the Union's branch in Hongkong was also submitted to the Legislative Council there. In November, 1929, the chairman of the Union wrote to Mr. Albert Thomas, late director of the International Labor Office, asking him to help negotiate with the Hongkong authorities for the restoration of the Union's branch there and for a speedy settlement of the indemnity question which arose out of the first seamen's strike. In reply to Mr. Thomas' unofficial inquiries, the Hongkong Government declared that although the Chinese Seamen's Union is no longer manipulated by the Communists, it still entertains political motives and that since the Chinese seamen in Hongkong are taken care of by the Chinese Seamen's Associated Union (中華船員工會) and the River Vessels Seamen's Union (內河輪船工會) there is no ground for establishing any additional seamen's organization in the colony. With regard to the indemnity question, the Hongkong Government's opinion is that there is yet no responsible and representative body to take the remittance.

In a communication to Mr. Thomas early in 1930, the Union repudiated the Hongkong Government's charges and threatened to adopt drastic steps to restore its branch, if official sanction could not be procured. Already considerable progress has been made in organizing small groups and sub-branches on the various Pacific vessels and in winning the co-operation of the seamen's boarding houses in Hongkong. The future outcome will undoubtedly be interesting.

### *Kwangtung Mechanics' Union*

In Canton, the cradle of the Chinese labor movement, one finds a good number of well-established labor unions whose influence affects not only local conditions but also the labor activities in other parts of China.<sup>4</sup> Among these labor organizations, the Kwangtung Mechanics' Union holds a position of paramount importance, and is noted

---

<sup>4</sup>Data in this section are largely obtained from Huang Yi-po's *Machine Workers in Kwangtung* (in Chinese), published by the Kwangtung Mechanics' Union, Canton, 1929.

as one of the chief opponents of the Red labor unions in South China. Indeed, its very history is more or less a record of the struggle between the conservative elements and the radicals and Communists.

The Kwangtung Mechanics' Union, one of the best organized groups of skilled workers in China, is composed of the mechanics engaged in the various industries of Kwangtung province, such as chemical industry workers, electricians, locomotive engineers, machine operators, munitions workers, lumber mill operatives, and mechanics engaged in electric power and water works, telephone and telegraph companies. The Union originated as far back as 1909 when relations between the mechanics and their employers were informal and paternalistic. At that time a "Society for the Study of Mechanics" (廣東機器研究公會) was established in Canton, managed largely by the workers. In 1912, the Society moved its office to Honam (opposite the city of Canton) and changed its name into "Kwangtung Mechanics' Research General Association" (廣東機器研究總會).

In 1918 Chinese mechanics in Hongkong, due to "imperialistic oppression," expressed a desire to co-operate with the mechanics' organization in Canton and in June that year, representatives from both bodies met together and formed the "All-China Mechanics' Guild" (中國機器總會). At this meeting, it was decided to build a permanent headquarters for the Guild in Canton. A financial campaign was launched, and on October 9, 1919, Dr. Wu Ting-fang laid the cornerstone for the new building, which is the present home of the Kwangtung Mechanics' Union.

During the first decade of its existence, the mechanics' guild included both employers and employees, there being no marked distinction between the two classes. The employees had no independent organization of their own, in spite of the fact that they had passed through three different stages of development, that is, the Kwangtung Mechanics' Study Society, the Kwangtung Mechanics' Research General Association, and the All-China Mechanics' Guild.

During the "Canton for the Cantonese" movement in 1919, the Mechanics' Guild attempted to force the Kwangtung Provincial Assembly to proclaim the late Dr. Wu Ting-fang Governor of Kwangtung by declaring a strike among the workers in the electric power



plant, the railway workers and the mechanics in several related industries. However, the strike met with total failure.

In 1920, when the Kuomintang decided to drive the military adventurer, Mo Yung-hsin, out of Kwangtung, the railway workers again declared a strike to support the Nationalist Party's platform. Train service was stopped by the railway workers in order to disrupt the transportation of Mo's troops. Subsequently, when the Kuomintang started a military campaign to help the Nationalists in Kweichow province, the Kwangtung Mechanics' Maintenance Society (as the Mechanics' Guild is now called), together with thirty-six other labor organizations, lodged a strong protest with the Governor of Hongkong against the subversive activities of the Kwangsi general, Yang Yung-tai, in the island colony. This agitation precipitated the defeat of Mo Yung-hsin and his clique.

In 1922, when General Chen Chiung-ming revolted against Dr. Sun Yat-sen, the mechanics for the third time declared a strike to support the Kuomintang chief. General Chen, however, succeeded in keeping his position in Canton and as a result, many mechanics were forced to seek shelter in Hongkong. At the end of 1922, when Dr. Sun gathered his Yunnan, Kweichow and Kwangtung forces to resume operations against General Chen Chiung-ming, the mechanics once more organized themselves, bombarded the railways and strengthened Dr. Sun's army in various ways.

While the mechanics in Canton and Hongkong were engaged in establishing a permanent headquarters, the employers also gathered together and formed the so-called "Machine-Trade Mutual Benefit Guild (機器商務聯益公會), precipitating a split with the mechanics. During this period, working conditions were said to be very unsatisfactory. Even in the large machine-shops, the workers received only 60 to 70 cents a day at the most for a working day of eleven hours, including Sundays. They were much worse off than the workers in other public works and foreign firms. For instance, in the electric power plant, the water works and such foreign firms as the Standard Oil Company and the Asiatic Petroleum Company, the working day was only nine hours, and the daily wage 80 to 90 cents with regular pay for Sundays and holidays. The apprentice system was especially in need of reform. But during those days the mechanics were too

disorganized, and could not present a united front against their employers. As time went on, they began to feel the need of independent action, and established a number of workers' clubs. By 1920, most of the machine-shops and industrial works in Canton and its vicinity had organized workers' clubs. Among the leading ones were the Workers' Recreation Club of the Canton-Hankow Railway, the Self-Development Society of the Canton-Samshui Railway, the Canton-Kowloon Railroad, and the Mutual-Aid Club of the Canton Electric Power Company. In the following year, branches of these clubs were organized in such places as Kiangmen, Chungsan, Taisan, Shihlung, and Fatsan. With the development of these clubs, a plan of unified control and coordination was adopted in April, 1921, which gave birth to the so-called "Kwangtung Mechanics' Maintenance Society." As soon as it was established, the Kwangtung Mechanics' Maintenance Society presented a demand to the employers' organization (Machine Trade Mutual Aid Guild) for better treatment and for improvement of the apprentice system. The following declaration issued by the Kwangtung Mechanics' Maintenance Society on April 1, 1921, gives an idea of what they demanded of their employers:—

"Man cannot live without clothing, food and shelter; all these things cannot be obtained without money. Although we cannot expect very rich returns for our labor, we nevertheless hope to get a sufficient wage to maintain our livelihood.

Besides work, we must have time for education, social relations, and recreation. In Europe and America, the workers have already demanded the six-hour day and the five-day week from their employers. Although last year the International Trade Union Congress has adopted the eight-hour working day, we are still working more than ten hours a day and have no rest on Sundays. Therefore, our second demand is a reduction in the working hours. In addition we demand better health provisions, and living conditions, insurance provisions, and better treatment for the apprentices. We sincerely hope that all these demands (appended hereto) will be accepted by the employers. If they have no regard for justice and humanity, and if they reject our demands, we shall be forced to take action ourselves to defend our rights."

On June 9, 1921, when a general strike was threatened by the mechanics, the Governor of Kwangtung province invited the representatives of both the employers and the employees to a conference and, as a result, the following conditions of work were agreed upon by the Kwangtung Mechanics' Maintenance Society and the Employers' Guild:—

1. Working hours to be nine per day, from 7 to 11:30 a.m. and from 12:30 to 5 p.m. Those working on the eight-hour day basis previous to this agreement will not be affected by this article. Double pay for night work.
2. Wages to be increased as follows:—
  - a. Wages below 50 cents per day to be increased 40 per cent;
  - b. Wages from 50 cents to \$1.00 per day to be increased 30 per cent;
  - c. Wages from \$1.00 to \$2.00 per day to be increased 20 per cent;
  - d. Wages above \$2.00 per day to be increased 10 per cent.
3. On Sundays, extra pay of 20 cents for food.
4. Double pay for work on Sundays and holidays.
5. In cases where the employers are responsible for the mechanics' daily meals, an allowance of 20 cents per day should be paid for each worker.
6. The following holidays should be kept:—
  - Two days for New Year
  - Arbor Day
  - March 29th
  - May Day
  - May 5th
  - October 4th
  - October 10th
7. Holidays for mechanics engaged in Government-controlled workshops shall remain the same, but the workers shall receive pay during these holidays just as other members of the staff do.
8. There shall be no reduction in wages in case a worker is transferred from one shop to another.

This was the first economic strike staged by the Kwangtung mechanics, and its victory was an additional impetus to the rise of labor organizations in Canton. The increase of wages demonstrated in a practical way the advantages of united action. The Kwangtung Mechanics' Maintenance Society, however, was only a temporary expediency, and its main supporters—the workers' clubs—were organized without any plan of co-ordination. With the reorganization of the Kuomintang and the admittance of the Communists into the Party in 1924, a sudden growth of labor organizations in South China took place. The Communists, through the instrumentality of the Canton Labor Representatives' Association, tried to dominate the mechanical

workers and win the latter into their fold. In order to meet this danger, the mechanics decided on the reorganization of their Society on a stricter basis and in January, 1926, in a conference of representatives of the mechanics in the province, the Kwangtung Mechanics' Maintenance Society was reorganized into the Kwangtung Mechanics' Union with the following platform:—

"We have from the very beginning of our existence opposed the Communist Party, and we believe that the Kuomintang is the only political party which is really interested in the emancipation of the workers in China. We will, therefore, strive toward the following aims:—

1. We believe that the Three Principles of the People are the only method of national salvation, and we will follow these principles to the end;
2. We must always, in the revolutionary spirit, fight against the Communist Party, and expose the intrigues of the Communist agitators so that the working class in China will not be deceived by them;
3. We must consolidate our efforts to work for the welfare of the working people and, as a measure of protecting the working class, we must develop trade unionism to the full;
4. We must enforce strict discipline in our own organization and extend our influence in order to perform our great mission;
5. We must improve the workers' living conditions, develop workers' education, and enable all the workers and their children to enjoy opportunities for self-development."

Shortly after its formal inauguration, the Kwangtung Mechanics' Union was compelled by the rising cost of living to stage another movement for bettering the working conditions of its members. The mechanics had not enjoyed any improvement in treatment from 1921 to 1926. They had, it is true, obtained a victory in their first economic strike, but what they had gained had been practically lost because the employers had failed to carry out their part of the bargain. Thus in April, 1927, the Mechanics' Union presented seventeen demands for better treatment to the machine-shops in Honam. These demands were entirely rejected by the employers, and as a result over 1,000 mechanics went out on strike. Repeated attempts at mediation proved of no avail and not until April, 1928, when the Canton Branch of the Central Political Council intervened, was a settlement reached. This settlement was based upon a set of fifteen articles promulgated by the

Kwangtung Bureau of Agriculture and Industry. However, the employers again refused to carry out the agreement. The change in labor regulations of the Canton Government in June, 1928, had given the employers the pretext they wanted, and until today the dispute has not been definitely settled. Due to the second strike, a large number of mechanics have become unemployed, and several tens of thousands of dollars have been spent in supporting them. Eventually, it was decided to establish a mechanics' co-operative workshop, and a large sum of money is reported to have been secured for the project.

At present, the Kwangtung Mechanics' Union is governed by an executive committee and a supervisory committee, the members of which are elected by the annual conference of workers' representatives of the entire province. The executive committee elects a standing committee which has charge of the following departments of work: organization, finance, education, propaganda, mutual aid, physical education and recreation.

## CHAPTER V

### STUDY OF SOME LEADING LABOR UNIONS IN CHINA

(Continued)

#### *Commercial Press Employees' Union*

Among the rank and file of the labor movement in China, the printers' union (including typesetters, bookbinders, printers, etc.) is usually regarded as more advanced in leadership and organization than most of the others. The Shanghai Commercial Press Employees' Union is a case in point.<sup>1</sup> Originated as a guild in 1917, it was re-organized into a labor union immediately following the May 30th Incident in Shanghai, and had been known as the Commercial Press Employees' Union until it was destroyed during the Japanese bombardment of Shanghai in the beginning of 1932.

In commemoration of the workers and students killed during the May 30th Incident of 1925, the employees of the Commercial Press called a strike on June 3 that year. A mass meeting was held that day in a school in Chapei, and at the gathering it was decided to organize the employees in the Works Department of the Commercial Press into a modern labor union. For this purpose, a preparatory committee of thirteen persons was appointed on the spot. On June 21, the Union was formally inaugurated in a Chinese theatre on Jukong Road, Shanghai, with about 600 employees present. In a manifesto issued that day, the Union declared that although other important industries in Shanghai (such as the flour mills, water works, machine shops and tram-car companies) were already organized, it was a matter of regret that the printing industry had not yet developed a union of its own. The purpose of the Commercial Press Employees' Union, added the manifesto, was to promote the workers' knowledge and friendly relations, and to protect their common interests.

No sooner had the Union been organized than the workers presented eight demands for better treatment to the management. Unable

---

<sup>1</sup>Information regarding the Commercial Press Employees' Union is largely obtained from *A History of the Commercial Press Employees' Union* (in Chinese), published by the Union headquarters in Shanghai.

to obtain full acceptance of their demands from the Company, the workers declared a strike on August 22, 1925, formed a picket corps and held secret conferences to enforce the strike. The demands were, in brief, as follows:—

1. That the management should immediately accept the demands presented by the employees of the sales agencies;
2. That the management should accord full recognition to the Union and give a monthly allowance of at least \$200.00 to cover its running expenses;
3. Increase of wages and equal treatment for men and women workers;
4. Abolition of the system of contract-labor;
5. Reduction of the working day to eight hours;
6. Abolition of the system of daily premiums and institution of the system of double-pay for the last month of the year;
7. Improvement of the treatment of women workers and revision of the factory regulations with the cooperation and advice of the Union;
8. Better treatment for apprentices and provision for their education.

After a week's strike, the management reached an agreement with the Union and the workers went back to their jobs on the morning of August 28.<sup>2</sup> This was understood to be purely an economic strike and resulted in a victory for the Union. A second strike was declared on December 22 of the same year after the management had allegedly failed to carry out the provisions of the above agreement and had dismissed more than forty workers. The second strike lasted until December 26 when a new understanding of sixteen articles was agreed upon by the management and the Union, after considerable pressure had been brought to bear upon the latter by the military authorities in Shanghai.

The most important strike in the history of the Union was the one staged at the time when the Nationalist Revolutionary Armies captured Shanghai in the spring of 1927. It may be recalled that during those days most of the labor unions in Shanghai were under the influence of the Shanghai General Labor Federation, which had planned a general strike to disrupt the positions of Marshal Sun Chuang-fang's troops in and around Shanghai, and in this way expedite the advance of the Revolutionary Armies. The first strike took

---

<sup>2</sup>Ho Yu-tseng: *History of Strikes in China* (in Chinese), World Press, Shanghai, 1927, p. 21.

place from February 17 to 19, but it was arranged a little too soon to be of any direct assistance to the Southern armies. A second general strike was declared on March 21 when the Nationalist troops came nearer the city. The labor pickets of the Commercial Press Employees' Union and several other labor organizations, who had been secretly armed at this time, actually fought against Sun Chuang-fang's men in Chapei. As a result of this clash, the Commercial Press Employees' Union lost seven members, including one woman worker. Eleven others were seriously wounded in the street fighting. The Union was also engaged in several other activities during this period, such as collecting gifts and soliciting provisions for the Nationalist Revolutionary Armies. This was perhaps the most important political strike that has ever occurred in the history of the labor movement in Shanghai.

The Commercial Press Employees' Union, which had about 3,000 members before its destruction, was one of the best organized unions in China. Its activities included a weekly paper devoted to the Union's interests, a dramatic club, evening classes for adult workers, a school for the employees' children, a boy scout troop and a self-governing society for promoting discipline among the workers.

The officers of the Union had always been active in the civic affairs of Shanghai, and in one year one of its executive officers had the honor of acting as the workers' delegate for China at the International Labor Conference in Geneva. In the summer of 1931, however, the Union was reorganized by the department of mass movements of the Shanghai Kuomintang branch on the ground that the leaders of the Union had developed connections with the Communists. Later in the year, the Commercial Press Employees' Union was incorporated into the so-called Shanghai Publishers' Union and was thus much weakened in its influence. During the Japanese bombardment of Chapei in January, 1932, the Union lost all its documents and property, and since then it has not been able to resume its activities.

#### *British-American Tobacco Company Labor Union*

The British-American Tobacco Company Labor Union in Pootung, popularly known as the B. A. T. Labor Union, is one of the



seven most powerful labor unions in the city of Shanghai.<sup>3</sup> Founded on June 5, 1927, the purpose of the Union, as stated in its constitution, is "to improve the living conditions of the workers, to develop the tobacco industry, to strive for the completion of the Nationalist Revolution and to carry out the Three Principles of the People."

The history of the B. A. T. Labor Union may be divided into three stages: the period of club activities, 1922-1925; the period of agitation, 1925-1927; and the period of growth and reorganization, 1927-1933.

As early as August, 1922, a recreation club was organized among the employees of the B. A. T. factory in Pootung (the factory on Thorburn Road in Shanghai has never organized any union as it is located within the International Settlement), and in order to improve the workers' treatment the club despatched several representatives to approach the factory authorities with the following demands: 1. dismissal of the Chinese *compradore*; 2. increase of wages; 3. better treatment for the workers, and 4. shortening of working hours. It was reported that the factory took a firm stand towards these demands, and as a result, the workers struck for about three weeks, at the end of which the military authorities in Shanghai intervened and forced the employees into a settlement with the management. According to this settlement, the B. A. T. Company agreed: 1. to increase wages from 35 cents to 50 cents per day; 2. to pay all wages in terms of *big money*; 3. to pay a rice allowance to every worker, and 4. to inaugurate a savings fund plan and the system of giving an annual bonus to the workers. However, the Chinese *compradore* was not removed and the working hours remained the same as they were before. Although the strike was a success for the club in several respects, many of its leaders lost their positions after the trouble and the club was later dissolved.

During the first period of the Union's history, organizational activities were conducted secretly, as the former *tuchuns* or *military governors* were entirely opposed to labor organizations and as the formation of workers' associations without the permission of the au-

---

<sup>3</sup>Information regarding the B. A. T. Labor Union is largely obtained from interviews with its officers and its official organ, the *B. A. T. Labor Union Fortnightly*.

thorities made one liable to capital punishment. Nevertheless, the workers obtained considerable training in group efforts and were taught the advantages of united action through the club and its ally, the Society for the Advancement of Morality (進德社) through which a well-known Shanghai merchant financed several free schools for workers and their children in the town of Pootung.

Renewed attempts at organizing the workers of the B. A. T. factory were made during the May 30th Incident in Shanghai, 1925. A labor union was formed and under its leadership all of the 8,000 workers in the factory joined in the general strike in Shanghai that spring. The workers, however, obtained practically no benefit out of this strike and at the end of three months, they had to go back to work almost unconditionally.

The third attempt was made shortly after the Nationalist Revolutionary Armies had gained control of the lower Yangtze region. On June 5, 1927, the B. A. T. Labor Union formally established its headquarters in Pootung, and on September 30 the Union declared a general strike, the main causes of which were alleged to be: 1. opposition to the B. A. T. Company's policy of not paying the rolled-tobacco tax then inaugurated by the Ministry of Finance of the Nationalist Government in Nanking; and 2. demand for an increase of wages due to the rising cost of living. The strike developed into serious proportions and was soon supported by other labor unions in Shanghai. By January 16, 1928, after a stoppage of work for nearly four months, the management, through the good offices of the Bureau of Rolled-Tobacco Tax of the Ministry of Finance and the Department of Agriculture, Industry and Labor of the Municipal Government of Greater Shanghai reached the following agreement (translated by the author) with the Labor Union:—

Agreement between the British-American Tobacco Company Labor Union and the British-American Tobacco Company, signed on January 16, 1928, in the Shanghai office of the Ministry of Finance:

Article 1. The British American Tobacco Company hereby recognizes the right of its factory workers to form a labor union according to law as well as the right of the said union to represent the workers in the promotion of their common welfare.

Article 2. The factory shall not dismiss any worker without proper reason. All dismissals should be made in conformity with the regulations of the factory.

Article 3. The school for workers' children which hitherto has been conducted by the factory authorities shall be turned over to the said union, and its name shall be changed into B. A. T. School for Workers' Children. (英美工人子弟學校)

Article 4. The price of rice upon the basis of which the factory gives its rice allowance shall be fixed at \$5 per picul instead of \$8, and this allowance shall be granted to all the workers, whether on duty or leave of absence. However, those who leave their duties without the permission of the factory will not be granted this privilege.

Article 5. The factory shall grant a total leave of absence of six weeks to women workers during child-birth, and in lieu of their regular wages the factory shall pay them a maternity benefit of \$30 for each person.<sup>4</sup>

Article 6. Workers who become ill in the course of employment shall be sent for treatment in properly designated hospitals, and their medical expenses shall be paid by the factory in addition to their regular wages during the period of illness. The factory shall give proper pensions to the families of the deceased if the workers meet their death because of an illness or injury arising out of the employment.

Article 7. A pension of \$1,500 shall be given to the family of the deceased if the worker dies from injuries sustained in the course of employment.

Article 8. A pension of \$1,500 shall be given the worker who becomes incapacitated in the course of his employment.

Article 9. Bonus for workers during the year shall be calculated on the basis of twelve months of work: time taken by strikes shall not be deducted therefrom.

Article 10. Whenever these articles are found incomplete, the previous practices and regulations of the factory shall be deemed effective.

Article 11. The agreement shall be in force until the promulgation of a Factory Law by the Chinese Government.

Article 12. This agreement becomes effective on the day it is signed.

Contracting parties: Representatives of the B. A. T. Labor Union (Yeh Huei-pin, Koo Yueh-fung, Hsiao Keng-sen, Hsia Shou-ao, Lee Kwang-sien, Chen Peh-teh and Wei Yung-chun) and representative of the B. A. T. Company (F. B. Emery);

Witnesses: Representative of the Shanghai Kuomintang branch (Chow Chi-yuen), representative of the Bureau of Agriculture, Industry

---

<sup>4</sup>The amount of this benefit has now been increased to \$34.50.

and Labor of the Municipal Government of Greater Shanghai (Chang Ting-hou), and representatives of the Bureau of Rolled-Tobacco Tax of the Ministry of Finance (Wang Hsiao-lai and Kuo Teh-hua).

While the agreement brought about a number of reforms in the treatment of the workers, the most important concession granted by the factory was its recognition of the workers' right to organize and the right on the part of the Union to represent the workers in settling disputes with the factory authorities. The management of the B. A. T. factory is understood to have adopted a very sane and liberal policy towards the Union, and has been willing to co-operate with the workers in putting their organization on a sound foundation, whereas the overwhelming majority of other foreign and Chinese industrial enterprises have been quite intolerant towards organized labor.

The B. A. T. Labor Union is now conducted by a standing committee of seven persons (one woman worker) appointed by its executive committee which, in turn, is created by the workers' representatives' conference. The term of service for members of the executive committee is one year, but they may be re-elected. During the time they are in office, they may secure a leave of absence from the factory authorities, and at the end of the year they may return to their original jobs. During their term of office they are paid a certain salary by the Union, but receive no wages from the factory. Under the standing committee there are organized four departments to take charge of the affairs of the Union: 1. organization; 2. training; 3. propaganda, and 4. general affairs. The membership fee of the Union is 20 cents *small money* per month. Although there are supposed to be 6,000 members in the Union, the income from the membership dues has rarely been fully collected and has often dwindled to only a few hundred dollars a month. Members of the Union have the following obligations and privileges:—

1. Obligations:

- a. To obey all the regulations, orders and resolutions of the Union;
- b. To pay membership fees;
- c. To attend Union meetings and conferences;

- d. To accept the methods of organization and training of the Union;
  - e. To follow the agreement reached between the Union and the factory authorities, and to obey those factory regulations which have been accepted by the Union.
2. Privileges:
- a. To vote for and elect officers of the Union;
  - b. To enjoy all the activities and facilities of the Union;
  - c. To obtain protection from the Union in case of maltreatment by the factory authorities;
  - d. To enjoy whatever rights and privileges the Union has agreed upon with the factory.

At present the Union is conducting, in co-operation with the factory authorities, a day school for workers' children. The school is managed by an independent board of directors, composed of one representative from the factory and twelve workers' representatives. It receives a subsidy of \$750 per month from the factory authorities, has more than 10 teachers and about 620 students. In addition to the school work, the Union has a boy scout troop, organized in the fall of 1920, and issues a semi-monthly paper which has a circulation of 3,000 copies, and conducts several recreational activities such as football and basketball teams.

The B. A. T. Labor Union, like other labor organizations in Shanghai, was originally organized on the factory-unit basis. In the summer of 1931, the Kuomintang and the Municipal Government of Greater Shanghai adopted a plan of reorganizing all the labor unions into two categories: the industrial union and the occupational union. The municipal area of Greater Shanghai, then, was divided into eight districts, and each district was to have its own industrial union.<sup>5</sup> As a result of this ruling, the B. A. T. Labor Union was reorganized on the industrial basis and its name was changed to the Shanghai Fifth District Rolled-Tobacco Workers' Union (上海五區捲煙業工會). However, since there is no other cigarette-manufacturing plant

---

<sup>5</sup>The eight districts are: 1. Nantao, 2. French Concession, 3. International Settlement, 4. Hongkew, 5. Pootung, 6. Chapei, 7. Kiangwan and 8. Woosung.

in Pootung, the B. A. T. Labor Union remained more or less as a factory union rather than as an industrial union, and its officers are the same persons who have served the Union for several years.

In case of dispute between the factory authorities and the workers, the Union representative in the particular department of the factory where the trouble happened, would make a report of the case to the Union executive committee, and the latter would then take it up with the personnel manager of the factory. If no satisfactory settlement could be reached there, the matter would be brought to the Shanghai Bureau of Social Affairs for mediation and, if necessary, for arbitration. The main causes of disputes in the B. A. T. factory are reported to be: demand for increase in wages, misunderstandings regarding leave of absence and discipline.

In fairness to the British-American Tobacco Company, it must be added that the wages and other conditions of treatment in the said Company are much better than those obtaining in most of the other industrial enterprises in China. The B. A. T. factory works nine hours a day, six days a week, and gives the following benefits and gratuities to the permanent workers (another class is called temporary workers, who have to go through a six-months period of trial before they become regular members of the working force):

1. Four per cent of the workers' annual earnings as a bonus at the close of the year;
2. A maternity benefit of \$34.50 to women workers (who have been on the factory pay-roll for at least a year), to be paid in two instalments, one before and one after childbirth;
3. A rice allowance for each worker, paid semi-monthly.<sup>6</sup>

### *Problems of Labor Organization*

It is apparent from the few cases related in these two chapters that labor organizations in China have frequently allied themselves with

---

<sup>6</sup>In many parts of China a factory gives a rice allowance to the workers in order to help them meet the rising cost of food. The practice is that the factory agrees to a base price for rice at, say, \$5.00 per picul and if the market rate increases to, say, \$17.00 per picul, the factory then has to pay to its employee one-fourth of the difference between the base price and the current market price which, in this example, amounts to \$3.00 for each employee per month.

political cliques and parties, and that not a few of the unions are deliberately formed for political purposes. A number of the early labor unions in China were merely tools of the secret revolutionary societies, and naturally depended upon the latter for financial support. Even today, labor organizations in many parts of China receive "allowances" from various political groupings and financial interests. As a result of this long practice, it has become quite common for the labor unions to maintain themselves through regular demands for subsidies from the employers, a practice perhaps entirely unheard of in the West.

Although it is difficult to say whether organized labor in China would not have found it more beneficial had it kept itself aloof from political entanglements, it has nevertheless been shown in the last few years that labor has gained considerable material advantage and prestige through its co-operation with the Kuomintang and, at times, its affiliation with the Communist Party. Indeed, were it not for this political background and influence the labor movement in China could not have developed into its present dimensions within a short period of two decades.

It has been asserted that labor union officers have too often resorted to the strike weapon for ulterior motives. But at the same time it should be admitted that the experience of the labor unions during the last few years proves that the union leaders did succeed in a very large measure in improving working conditions and in increasing wages, and thus showed considerable justification for their existence. They have, moreover, contributed to the formation of a new social conscience towards labor, and have caused the public to become more appreciative of labor's grievances.

Another problem in the field of labor organization is the domineering influence which numerous labor bosses and gang leaders exert over the labor unions in China. Some unions are entirely run by individuals or small groups of individuals, such as the "green" and "red" gangs in Shanghai. The grip which these mercenary elements have over the workers is so strong that nothing short of drastic legal action and a widespread educational program among the men can remove this bondage. The rank and file do not yet understand the real significance of trade unionism and the various functions which an organized agency like the union should conduct and develop when

the members are not occupied with strikes and other disputes with the employers. The masses of the working people in China must yet be taught that they should be masters of the unions and that they must rise up to their own responsibilities, if they wish to avoid exploitation by members of their own class. Simultaneously, the employers should be brought to realise that it would be beneficial to their own interests if they would voluntarily recognize trade unionism, try to meet its legitimate aspirations and co-operate with it in developing a genuine leadership amongst the workers, and in helping to remove the parasitical elements that stand between them and their employees. Unless this barrier is wiped out, the labor unions in China will not have any great improvement in their programs or activities.

A third problem of the labor unions in China is their lack of co-ordination, unified action and national leadership. This is partly due to the infant character of the Chinese labor movement and partly due to the obstacles which the Government authorities have set up in order to prevent the labor unions from getting too powerful. Each of the hundreds of labor organizations is practically independent of all the others: each has its own aims, policies, methods and regulations. There is no bond that unites all of them into one single whole and no effective co-ordination in their working programs. Moreover, although many of them have capitalized idealism in their agitations, they have not yet framed any concrete scheme of economic emancipation for the working class as a whole. They have not developed sufficient faith, stability and experience to work out a social philosophy for the movement they profess to lead. It is perhaps in this respect that social workers and disinterested students of China's labor problems are called upon to make their contributions.



## CHAPTER VI

### THE LABOR POLICY OF THE NATIONALIST PARTY

#### *Kuomintang's Socio-economic Platform*

Of the political organizations which have appeared in China during the last two decades, the Nationalist Party is perhaps the only one which has promised the Chinese people a clear-cut socio-economic policy. Such a policy has been explained in detail in Dr. Sun Yat-sen's *Principle of the People's Livelihood*, which aims to control the growth of private capitalism, to equalize land holdings and to improve the living conditions of the masses. It is a doctrine that the common people in China understand and will support. The Kuomintang was fully aware that, in order to bring the Nationalist Revolution into completion, the co-operation of the masses could not be spared, and so instead of suppressing labor organizations as the former *tuchuns* and military cliques did, the Nationalists adopted a positive policy towards labor, actually gave the labor organizations a legal status by virtue of the Trade Union Regulations of 1924, and in various ways stimulated the rise of organized labor in China.

Dr. Sun, the founder of the Kuomintang, definitely advocated a liberal policy towards labor and was personally responsible for the inauguration of not a few labor unions in Canton. Thus in a meeting with labor unions on May Day, 1924, he declared: "Workers should henceforth make up their minds to build a strong organization and, like their comrades in other countries, fight for their own rights. Having organized themselves, the workers should become vanguards of the Nationalist Revolution and strive for the abolition of the unequal treaties."

The Kuomintang has also pledged itself in its various national congresses to improve the economic and social status of the working people. In its first national congress, the Kuomintang passed a resolution to enact legislation, to improve the workers' living conditions, to protect the labor unions and support their development. In the second national congress, the Kuomintang adopted an even more specific labor platform, as reproduced below:—

1. Enactment of labor laws;
2. Enforcement of the eight-hour day and prohibition of work beyond ten hours per day;
3. Promulgation of a minimum wage law;
4. Protection of women and child workers, prohibition of the employment of persons below fourteen years of age, regulation of the apprentice system, and granting of sixty days' leave of absence, with pay, for women workers during child-birth;
5. Improvement of sanitary and health provisions in the factories;
6. Institution of workers' insurance;
7. Freedom of the workers to hold meetings, to issue publications and to strike;
8. Granting of general suffrage without financial or educational qualifications;
9. Promotion of workers' education;
10. Promotion of the co-operative movement;
11. Abolition of the labor-contractor system;
12. Designation of official holidays for workers during the year, and regular wages should be paid during these holidays.

The labor policy of the Kuomintang may be reviewed in two stages. During its co-operation with the Communist Party, the Kuomintang permitted the propagation of radical propaganda and entertained a drastic program of unionization in the country. A special department of labor was set up in the Central Kuomintang headquarters in Canton to carry out this policy and to direct labor agitations in various parts of China. Between 1919 and 1925 a number of labor unions were actually, though secretly, formed with the help of the various Kuomintang branches, such as the Tongshan Miners' Union and the National Railway Workers' Union. The relationship between the Kuomintang branches and the labor unions in many places became so intimate in the years 1924 to 1926 that a number of complicated problems arose in their administration, and for some time it was a matter of debate as to which of the two groups of organizations should run or was running the other.

During the second period (that is, since the eviction of the Communists from the Nationalist Party in April, 1927) the labor policy of the Kuomintang has become much more moderate and even reactionary as some quarters would describe. Its present maxim is: "To sup-

port labor without hampering the development of industries, and to develop industries without damaging the interests of the workers." During this period, the Kuomintang has taken on itself the task of reorganizing the labor unions in all parts of the country. In every city or town where labor unions existed, a Labor Union Reorganization Committee was set up by the local Kuomintang, and all the labor unions had to go through a period of reorganization in accordance with the rules and procedures promulgated by the Central Party authorities. The Kuomintang justifies this action by claiming that if it does not direct the Chinese labor movement, the latter will easily become a victim of Communist propaganda and manipulation, and that the Kuomintang should continue its control and training of such mass movements as the labor movement and the peasants' movement until it has built up a leadership which will be capable of taking up this burden.

#### *Attitude Toward Labor Activities*

In its declarations and manifestos, the Kuomintang has repeatedly pointed out in recent years the danger of class-war and has emphasized that the only profitable means of raising the status of the workers lies in their emancipation from the woes of militarism and feudalism, and from the exploitation of the imperialists and the Communists. The workers are constantly advised to seek their advancement by enhancing the well-being of the nation as a whole instead of creating trouble for themselves and causing inconvenience to the public. Since its separation from the Communists, the Kuomintang has very tactfully abolished the Soviet-styled women's department, youth department, workers' department, peasants' department and merchants' department in its Central headquarters, and instead it has established a department for the training of mass movements, thereby putting such mass activities as the labor movement and the peasants' movement under its own thumb.

"The Kuomintang," asserts its official spokesman, "has always championed the cause of the oppressed people and has never neglected the welfare of the Chinese workers. During the past few years, the Nationalist Government has directed its major efforts towards the abolition of unequal treaties, the restoration of tariff autonomy, the retrocession of foreign concessions and leased territories and the general elevation of China's status in the family of nations. In the drafting of various labor laws such as the Factory Law, the Labor Union Law,

and the Law for the Settlement of Disputes between Capital and Labor every effort has been made to protect the workers' interests and to promote their well-being. But the militarists have repeatedly embroiled the country in disastrous civil wars and have increased the sufferings of the people. The workers should, therefore, strive for the extermination of the militarists so that the Government may devote itself to national reconstruction and the betterment of the lot of the workers."

The attitude of the present Government towards strikes and picketing has been clearly stated in a proclamation made by the Shanghai Garrison Commander in 1929:—

"Whereas, there are in existence regulations governing the settlement of all industrial disputes as well as a Labor and Capital Arbitration Committee whose duty it is to take charge of such disputes, it being a matter of great concern to the peace and prosperity of the community that no party should go to the extreme in order to reach a compromise and maintain the industrial equilibrium; and

"Whereas, lately there have been lawless individuals who have secreted themselves in various factories, inciting riots and precipitating industrial crises or worse still, intimidating workers by force of arms with the result that the factory tyrants, taking advantage of the situation, wilfully create more troubles, while those who are timid, finding themselves in a dilemma, blindly follow their lead, thereby causing rapid recurrence of untoward incidents in the factories which either interfere with the workers' means of livelihood or constitute a menace to society; and

"Whereas, all such above-mentioned doings are detrimental to the interests of labor as emphasized by the Nationalist Government;

"Be it hereby proclaimed that this Headquarters shall accord protection only to those bona fide and law-biding workers but shall punish, according to the provisions of the law, those workers who are willing to be utilized by agitators with the view of upsetting the peace and order of the community. Moreover, all industrial disputes shall be settled according to the rules and regulations promulgated therefor by the proper authorities in charge of such matters, direct action by the workers themselves being strictly prohibited under all circumstances; any violation of this order shall be severely dealt with."<sup>1</sup>

Another view of the labor policy of the National Government of China was embodied in a resolution regarding the treatment of labor, adopted at the National Industrial Conference held under the

---

<sup>1</sup>*China Year Book 1930, p. 660.*

auspices of the Ministry of Commerce, Industry and Labor in November, 1930. The resolution, which aroused considerable debate in the Conference, contained the following recommendations:—

1. Employers and employees should understand that both employers and employees have to depend upon factories as media of production, and both would suffer in case of labor disputes;

2. Agreements should be signed by an equal number of representatives from both employers and employees and should be registered with the local authorities;

3. Agreements between employers and employees should have provisions regarding hours of work, rates of wages, rewards and fines, etc.;

4. Wherever possible factory owners should open schools for the education and training of workers in accordance with the principles of workers' education drawn up by the Ministry of Industry, Commerce and Labor;

5. Owners of factories should provide for safety devices and sanitary equipments commensurate with the various industries;

6. Wherever possible owners should provide workers' insurance, savings societies, and cooperatives;

7. Wherever possible owners of factories should establish living quarters for workmen and appoint a secretary to look after their well-being and to develop their spirit of self-government;

8. Owners should encourage workers to save part of their bonus with the view of buying shares in the factories and when shares are offered in the open market, the workers should be given preference to buy;

9. Wherever possible the working capacity of the average worker should be ascertained and recorded on each machine so as to provide for a guide for all workers on the machine and rewards and penalties shall go by these records;

10. Persons directing the labor movement should be familiar with the Kuomintang principles and its labor policy.

The more intelligent and far-sighted elements in the Chinese labor movement have, however, become increasingly dissatisfied with the Nationalist Party's control of labor unions and are clamoring for independence. Signs of opposition may be easily seen wherever the Kuomintang has attempted to reorganize labor unions in accordance with its own liking and wherever it has tried to prevent the growth of any co-ordinated effort on the part of the labor leaders to put their

programs on a city-wide or nation-wide plane. Thus in Shanghai, a number of labor union delegates met together in the headquarters of the Shanghai Postal Workers' Union on December 19, 1931, and adopted a resolution to revive the Shanghai General Labor Federation. Other resolutions passed at the same meeting also reveal considerable antagonism towards the Kuomintang: 1. that the Shanghai General Labor Federation should petition the Government for the abrogation of the present Labor Union Law and other labor laws, and that a new Labor Union Law based upon the Trade Union Regulations of 1924, should be promulgated in order to give real protection to organized labor, and that in the formulation of these laws, workers' representatives should be invited for consultation; 2. that after the inauguration of the Shanghai General Labor Federation a meeting of all the labor federations in China should be convened to form a national federation of labor; 3. that the workers' right to declare strikes shall be fully recognized by law; and 4. that all the labor unions in Shanghai should be restored to the 1929 status.

#### *Kuomintang's Contributions*

This does not imply that the Kuomintang movement in the past has made no contributions whatever to the improvement of labor conditions. Within the short span of its political life, it has brought about a number of benefits for the workers, of which the most outstanding may be summed up as follows:—

1. Gave organized labor a legal status and thereby precipitated the growth of labor organizations which resulted in the acquisition of numerous benefits such as increase in wages and better working hours;

2. Formulated and, to a certain extent, succeeded in enforcing modern labor laws for the first time in the history of China. The laws which have already been promulgated are:—

- a. Labor Union Law
- b. Regulations for the Application of the Labor Union Law
- c. Law for the Settlement of Disputes between Capital and Labor
- d. Factory Law
- e. Regulations for the Application of the Factory Law
- f. Law of Factory Inspection
- g. Law of Collective Agreements.

3. Established new administrative machinery regarding labor affairs, such as the Bureau of Social Affairs of the various municipal governments, the Division of Labor of the Ministry of Industry and the system of factory inspection;

4. Stimulated interest in labor research and industrial welfare, and the institution of such experiments as workers' cooperatives, housing projects, bonus plans;

5. Helped in training labor leaders and union officers.

Prior to the advent of the Kuomintang there was no special machinery in the Chinese Government for the handling of labor affairs and problems, although in the Ministry of Communications as well as in the Ministry of Agriculture and Commerce of the former Peking Government, there was a labor section that had charge of labor conditions in the enterprises for which the two Ministries were respectively responsible. With the establishment of the Nationalist Government in Nanking in 1927, a special Labor Bureau (國民政府勞工局) was formed to give proper attention to labor affairs and problems. In the following year, however, the Bureau was abolished and its work incorporated into the Labor Division of the Ministry of Industry. The functions of this Labor Division are as follows:—

1. To send out investigators to various parts of the country to study labor conditions and labor unions;

2. To continue the registration and reorganization of labor unions;

3. To improve the machinery for the settlement of labor disputes and arbitration;

4. To formulate plans for carrying out the Factory Council provision of the Factory Law;

5. To establish factory inspectorates in various industrial districts of the country, and to send out experts to supervise factory inspection in important districts as Shanghai, Tientsin, Hankow, Canton, Wusih and Tsingtao;

6. To hasten the carrying out of workers' education by the labor unions in various parts of the country;

7. To formulate a plan for workers' savings;

8. To plan for the enforcement of the law of collective agreements;

9. To participate in the International Labor Conferences;

10. To plan for the revision and improvement of the present labor laws;

11. To study industrial efficiency and to direct the improvement of factory management;
12. To compile and gather labor statistics.

### *Criticisms of Kuomintang Labor Policy*

Radicals and opponents of the Kuomintang, however, have found its labor policy extremely disagreeable and have severely denounced the repressive measures which have been meted out to numerous labor leaders since 1927. Active leaders in the labor movement have often been arrested and imprisoned on the ground of Communistic inclinations. The labor laws hitherto promulgated by the National Government of China are regarded as uncondusive to the development of a strong independent labor movement, and they deviate widely from the standards which the Kuomintang has promised to the masses in its two national congresses. In many parts of the country today the Kuomintang branches merely utilize their control of labor unions for their own selfish purposes, and have shown very little progress in aiding labor to improve its economic condition.

Unfortunately, the Nationalist Party has been troubled with internal dissensions during recent years, and so it has not been in a position to face squarely the stupendous social problems and needs it set out to meet. Moreover, the voice of the civil and liberal elements in the Party has too often been over-ruled by a few militarists. Even some of its most faithful supporters have become dissatisfied with the bigoted and intolerant attitude which their more powerful colleagues are using in dealing with labor and similar movements. Such a course of action has not brought the Kuomintang any positive results; on the contrary, the Party has now lost the allegiance of the great masses in China. Unless the Kuomintang realizes the wisdom of adopting a more far-sighted and more tolerant policy towards the different forces that are influencing the future of China's masses, and unless it becomes open-minded enough to absorb and even co-operate with some of these influences, the so-called directing efforts which it is feverishly exerting among the rank and file of Chinese labor will not bear any permanent fruits.



## CHAPTER VII

### LABOR LEGISLATION IN CHINA

#### *Under the Manchu Regime*

The development of labor legislation in China is a recent phenomenon. Prior to the Chinese Revolution in 1911, working conditions were almost entirely governed by traditions, customs and personal relationships. The right of association was not sanctioned by the officials. Strong measures were enacted by the Manchu authorities to repress secret societies and organizations which were in any manner detrimental to the established order, although in practice guilds and religious bodies were looked upon with much liberality.

Upon the inauguration of the Republican form of government, the right of association and assembly as well as the freedom of the press and speech were granted to all Chinese citizens by the Provisional Constitution of March 11, 1912. Thanks to popular demand and agitation, the right of association was also recognized in several provincial constitutions. However, neither the national Constitution nor any of the provincial drafts was ever seriously adhered to. In point of fact, the national Constitution was on several occasions revised, repealed and even discarded by military dictators such as Yuan Shih-kai, Tsao Kun and Tuan Chi-jui. With the establishment of Kuomintang rule and in the absence of a constitutional government in China, the right of association and the freedom of speech are now largely subject to the dictates of the Nationalist Party.

#### *Labor Laws of Peking Government*

Under the former Peking Government no positive legislation with regard to the workers' right of association or working conditions was taken until 1923. True, a set of Regulations governing Mining Enterprises (礦業條例及礦業條例施行細則) was promulgated by a Presidential Mandate in March, 1914; but these regulations were never strictly enforced and, in several respects, were not enforceable. Chambers of commerce were given a legal status by virtue of the Law relating to Chambers of Commerce (商會法) promulgated on Septem-

ber 11, 1914. But practically no legal protection was given the workers' organizations. On the contrary, two important restrictions were adopted against them. In the first place, the Law relating to the Preservation of Public Order (治安警察法) of August 29, 1914, stated in its first section that "the administrative authorities, with a view to maintaining public order and peace and protecting the freedom and welfare of the people, shall have police powers with respect to workers' meetings." Section 22 of the same Law prohibited workers' meetings of the following kinds:—

1. When they lead to a regular and collective stoppage of work;
2. When they lead to a strike;
3. When they lead to wage demands;
4. When they lead to public disorder;
5. When they organize action attacking good morals.

Another restriction was placed upon the workers by virtue of Article 224 of the Provisional Criminal Code (暫行新刑律) promulgated on March 10, 1912, which reads: "When workmen in the same business combine in a strike, the ring-leader shall be punished with imprisonment for a period not severer than the fourth degree or detention, or fine of not more than 300 dollars, and the others shall each be punished with detention or fine of not more than 30 dollars."

Official interest in modern labor legislation was aroused shortly after the close of the World War. At the first session of the International Labor Conference held at Washington in 1919, the attention of the Chinese delegation was especially drawn to the proposals made by the Conference Commission on Special Countries. The proposals were as follows:—

"The Commission attaches great importance to the acceptance by the Chinese Government of the principle of the protection of labor by factory legislation. It further suggests that a beginning should be made as soon as possible in the framing and administration of such legislation with reference to such important industry as now exists. The Commission therefore proposes that China be asked to adhere to the principle of the protection of labor by factory legislation, and that, further, the Chinese Government be asked to report to the Conference next year in what way it is prepared to apply that principle. It suggests for the consideration of the Chinese Government the possibility of adopting a convention embodying the principle of a ten-hour day or a sixty-hour week for adult workers and an eight-hour day or a forty-eight-

hour week for employed persons under fifteen years of age; and embodying also the principle of a weekly rest day. It suggests that all factories employing over 100 workers should come within the scope of the projected legislation."<sup>1</sup>

Renewed efforts towards the attainment of legal protection for workers came immediately after the victory of the Hongkong seamen's strike in 1922. The authorities in Kwangtung province tactfully repealed Article 224 of the Provisional Criminal Code, thereby removing the illegality of strikes. In August, 1922, under the leadership of the secretariat of the All-China Labor Federation a movement to promote labor legislation was started among all the labor unions in the country. On September 4 of the same year, the labor unions in Wuhan jointly sent a petition to the Parliament in Peking setting forth nineteen demands which included the right to declare strikes, freedom to hold meetings, an eight-hour day and a forty-two-hour week, prohibition of night work for women and children, a minimum wage, etc. In February, 1923, a convention was called at Chengchow by the workers of the Peking-Hankow railway for the inauguration of the Peking-Hankow Railway Industrial Union. In the name of public order, Marshal Wu Pei-fu (who was then in control of Honan province) prohibited the workers' convention and declared martial law at Chengchow. The workers, however, ignored Marshal Wu's order and, in attempting to open their convention at Chengchow, they clashed with the police forces on February 7. As a result, many of them were injured and several killed. The agitation soon spread to the other places, and a general sympathetic strike was declared. The workers protested that the right to organize and hold meetings was stipulated in the Provisional Constitution of the Republic, and demanded redress from the Peking Government. Several members of the Parliament, who were impressed with the seriousness of the situation, conducted an investigation of the strike and subsequently urged President Li Yuan-hung to publicly recognize the right of association. On February 22, a Presidential Mandate ordering the proper Ministries to draft labor laws was issued. On March 29, 1923, the Ministry of Agriculture and Commerce in Peking promulgated the Provisional Factory Regulations (工廠暫行通則).

---

<sup>1</sup>International Labour Office: "Labor Conditions and Labor Regulations in China," *International Labor Review*, Vol. X, No. 12, December, 1924, p. 4.

These Regulations constituted China's first attempt at modern labor legislation, and were applicable only in factories which ordinarily employed not less than 100 workers or which were dangerous or unhealthful, so that workshops and industrial establishments of a small type were excluded from their jurisdiction. Moreover, no penalties were provided for violation of the Regulations and no adequate system of inspection was set up to enforce them.

Meanwhile the Ministry of Agriculture and Commerce, in accordance with the instructions of the President, drew up a Trade Union Bill of 15 sections ( 工人協會法草案 ) and submitted it to the Parliament for consideration. Unfortunately, this attempt at national trade union legislation was killed by the *coup d'etat* of June 13, 1924, which resulted in the deposition of President Li Yuan-hung. The proposed Bill granted the right of association to workers who were engaged in the same kind of employment, but restricted trade union activities to mutual help among members, improvement of working conditions, investigations of labor conditions, making proposals for legislation and answering inquiries made by the administrative authorities. The Bill also stated that unions could be dissolved at any time for the following reasons: disturbing the existing form of government, disturbing public peace, endangering the life of any of the public, obstructing communications or doing injury to the nation or society.

Another attempt at trade union legislation was made by the Peking Government in 1925. Shortly after the May 30th Incident in Shanghai, the Ministry of Agriculture and Commerce was ordered to co-operate with the Ministry of Communications in drafting a Trade Union Bill, but owing to the split between the Kuominchun and the Fengtien factions the Bill was left in abeyance. No effort in this direction was made until the fall of 1927, when the Nationalist movement began to exert its influence upon the masses in North China. In order to appease the public sentiment, Marshal Chang Tso-lin promulgated, on October 27, a set of Factory Regulations for use in all the provinces which were then under his control. In the following month, he issued the Rules of Factory Supervision and Inspection ( 監察工廠規則 ).

*Development of Legislation Under the Nationalists*

Under the Nationalist Government the workers' position has been greatly improved. At the first Kuomintang national congress held at Canton in January, 1924, a resolution was adopted to instruct the Nationalist Government to enact labor laws, to take steps in improving the conditions of the workers, and to safeguard the freedom of association. In accordance with the Nationalist Party's program, Dr. Sun Yat-sen in his capacity as generalissimo of the Nationalist Government at Canton promulgated in November, 1924, the Trade Union Regulations (國民政府工會條例).<sup>2</sup>

Following the May 30th Incident in Shanghai, further demands were made by workers all over the country for better treatment and legal protection. Anxious to obtain the increased support of the workers and the peasants, the Kuomintang reiterated its promises to them in the following terms at the second national congress held at Canton in 1926:—

1. Promotion of social legislation;
2. Application of the principle of the eight-hour day and total prohibition of more than ten hours of work per day;
3. Fixing of a minimum wage;
4. Protection of women and children; prohibition of the employment of children under fourteen years of age; regulation of apprenticeship; full pay for women workers when on leave before and after childbirth, such leave to be not less than sixty days;
5. Organization of sanitary and safety devices in factories; institution of social insurance;
6. Freedom of meeting, of speech, of the press and the right to declare strikes;
7. Suffrage without property or educational qualifications;
8. Promotion of workers' education;
9. Promotion of workers' cooperative societies;
10. Abolition of the system of sub-contracts;
11. Full pay for workers on regular holidays.

However, as the Nationalist Revolutionary Armies advanced northward in the fall of 1926 the Nationalist Government in Canton

---

<sup>2</sup>For details of these Regulations, see Chapter III.

found it necessary to avert extreme labor agitations in the rear. Hence, on August 16 of that year the Nationalist Government in Canton promulgated the Regulations governing the Organization of Committees for the Arbitration of Disputes between Employers and Employees (勞資仲裁委員會組織條例). By means of these Regulations a procedure for compulsory arbitration by a committee of one Government delegate, two employers' delegates and two workers' delegates was instituted.

In April, 1927, when the Nationalists captured Shanghai, Generalissimo Chiang Kai-shih, with a view to eradicating the Communist agitators and restoring the industrial equilibrium, issued a set of Regulations for the Conciliation of Disputes between Capital and Labor. During the period of the Northern Expedition, various local regulations had been adopted to cope with labor troubles, but it was not until the formal establishment of the National Government in Nanking in August, 1927, that effective action with regard to labor administration and legislation was taken. A Labor Bureau (國民政府勞工局) was set up with the well-known labor leader, Ma Chao-chin, as its director. The Bureau's functions were to promote better conditions of livelihood for the workers, to develop education among peasants and laborers, to relieve the unemployed and to give recognition to the labor unions in China. However, before the Bureau could make much headway with its well-planned program it was incorporated into the Ministry of Commerce, Industry and Labor which took over, among other things, the task of drafting labor laws for the Government's consideration.

On June 9, 1928, the National Government of China promulgated the Provisional Regulations relating to the Settlement of Disputes between Capital and Labor (勞爭爭議處理暫行條例) which constituted the first labor law of general scope issued by the National Government since its inauguration in Nanking. The Regulations were intended for a year's trial, but on July 12, 1929, this period was extended for another six months. In March, 1930, these Provisional Regulations were revised and promulgated by the Chinese Government as a national law. On July 9, 1928, the Standing Committee of the Central Executive Committee of the Kuomintang adopted the Regulations relating to the Organization of Labor Unions (工會組織條例), which formed the basis of the new Labor Union Law (工會法) promulgated by the

National Government in November, 1929. Regulations concerning the Organization of Special Trade Unions (特種工會組織條例) such as railway workers' unions, seamen's unions, postal workers' unions and miners' unions were also passed by the Standing Committee of the Central Executive Committee on July 26, 1928.

During the second half of 1928, the Ministry of Commerce, Industry and Labor devoted considerable time and energy to framing a Factory Law. The original draft contained 112 articles, but was never promulgated. With the reorganization of the National Government on the five-Yuan basis the Ministry of Commerce, Industry and Labor turned over the task of drafting all labor laws to the Labor Code Commission of the Legislative Yuan. In December, 1929, after prolonged study and preparation a Factory Law of 77 articles (國民政府工廠法) was promulgated by the National Government of China.<sup>3</sup> A set of Regulations for the Enforcement of the Factory Law and a Factory Inspection Law were promulgated on December 16, 1930, and February 10, 1931, respectively. The Factory Law was to become effective on and from August 1, 1931, but on account of the political disturbances in Shanghai and Manchuria very little progress has been made in applying the Law.<sup>4</sup> A Law of Collective Agreements, consisting of 31 articles, was also promulgated by the National Government on October 28, 1930, and its enforcement was ordered to begin from November 1, 1932.

### *Labor Legislation in Hongkong*

In Hongkong labor conditions are governed by four sets of ordinances: the Unlawful Societies Ordinance of 1920, the Industrial Employment of Children Ordinance of 1923, the Factory Accidents Ordinance of 1927, and the Illegal Strikes and Lockouts Ordinance of the same year.<sup>4</sup> By virtue of the first-named Ordinance, all labor organizations and workers' societies of a "dangerous" character are banned in the British colony. According to the Industrial Employment of Children Ordinance, as amended in 1927, children up to fifteen years of age may not work between 7 p.m. and 7 a.m., and young persons up to eighteen years between 9 p.m. and 7 a.m. The Factory Accidents Or-

<sup>3</sup>For complete text of the Factory Law, see Appendix 1.

<sup>4</sup>Chen Ta: "Labor Conditions in South China," *Statistical Monthly*, Nanking, Vol. 1, No. 10, December, 1929.

dinance was adopted by the Hongkong Government in April, 1927, which authorized the Secretary for Chinese Affairs to undertake a regular inspection of the factories in the island. A factory inspector's office was also set up, and according to its reports successful progress has already been made in preventing and reducing the number of industrial accidents in the Hongkong factories. The *Illegal Strikes and Lockouts Ordinance*, which was substantially the same as the *Trade Disputes Act of England*, was promulgated by the British authorities in Hongkong in August, 1927, with a view to suppressing radical labor activities. The Ordinance declares that any strike or lockout would be construed as illegal if it has any object other than the furtherance of a dispute within the trade or industry in which the strikers are engaged, or if it is designed or calculated to coerce the Government, either directly or indirectly by inflicting hardship upon the community.<sup>5</sup>

### *Present Status*

In summary, it may be recalled that at the present time there are seven national labor laws in China, all of which are being enforced by the authorities as effectively as circumstances in different parts of the country permit:—

1. Labor Union Law;
2. Regulations for the Application of the Labor Union Law;
3. Law for the Settlement of Disputes between Capital and Labor;
4. Factory Law;
5. Regulations for the Application of the Factory Law;
6. Factory Inspection Law;
7. Law of Collective Agreements.

It is, of course, too early to measure the usefulness of these laws. A good deal of criticism has been advanced against them. In the first place, the laws are considered to be too conservative by the labor leaders, and do not contain as many liberal provisions as the workers would like to obtain. In various respects, for instance, the Labor Union Law is said to have put too many restrictions upon organized labor. The right to declare strikes is deliberately left untouched so as to enable

---

<sup>5</sup>Chen Ta: "Labor in China during the Civil War," *Monthly Labor Review*, Washington, D. C., July, 1930.



the authorities to be the sole judge in deciding what labor activities are detrimental to the public peace and what are not. At the same time, the employers have also voiced strong protests against the Factory Law, declaring that its enforcement would bring an unreasonable burden on many Chinese industries which are still in the infant stage. The Law is regarded as too idealistic and even Communistic by many who are not used to state intervention and regulation in labor affairs. Above all, it is alleged that labor legislation in China can never be successfully enforced as long as political disturbances within obstruct the smooth running of industries and offer the foreign governments a pretext against the abolition of extraterritorial privileges. For without peace and prosperity no system of factory supervision and inspection will be of any great help to the workers, and without the abolition of extraterritoriality there can be no uniform application of the labor laws in China since the employers, foreign as well as Chinese, will always be able to find pretexts for not-conforming with the Government's stipulations.

## CHAPTER VIII

### ENFORCING CHINA'S LABOR LAWS

While the Chinese Government is to be congratulated for having carefully formulated a number of progressive laws to protect the working class, the success of their application is by no means assured. Indeed, the problems involved in the enforcement of labor laws are much more difficult than the task of drafting them, and unless the National Government of China can tackle these issues satisfactorily its legislative efforts will become entirely meaningless and futile.

#### *Problem of Extraterritoriality*

Perhaps the most important problem involved in the enforcement of China's labor laws, especially the Factory Law, is that of developing and maintaining an effective and centralized labor administration in the whole of China. In this respect, the question of extraterritoriality cannot be overlooked. Many factories in China are located in the foreign concessions and settlements, and a number of their owners are nationals who are not yet amenable to Chinese jurisdiction. Although at several sessions of the International Labor Conference, the representatives of the Chinese Government have declared it impossible for China to give full effect to international labor conventions as long as she did not possess the necessary authority over the whole of her territory, and although the Chinese Government has repeatedly pressed for an early settlement of the issue of extraterritoriality with the foreign Powers, very little progress has yet been made in a practical sense. In fact, recent developments indicate that the authorities in the leading foreign concessions and settlements in China are planning to regulate factory conditions in their own ways, and thus evade the Chinese Factory Law.

The situation with regard to factory inspection in the International Settlement of Shanghai is particularly significant, since it is China's largest industrial center and since the success of the Chinese Factory Law almost wholly depends upon how uniformly and effectively it can be applied in both the foreign and the Chinese factories in that city. Although in August, 1931, the Municipal Council of the Inter-

national Settlement openly declared its willingness to adhere to the Chinese Factory Law in principle,<sup>1</sup> the adoption of the amendment to Bye-law XXXIV of the Shanghai Land Regulations by the foreign rate-payers on April 19, 1933, is apparently intended "to maintain unimpaired the Municipal Council's administrative control and integrity within the limits of the International Settlement," and to prevent the Municipal Government of Greater Shanghai (Chinese) from extending its program of factory inspection into the Settlement area.

It must be said that the controversy over the enforcement of the Chinese Factory Law is, at least in its present stage, one of jurisdiction, not application. There is hardly any divergence of opinion with regard to the urgent necessity of carrying out certain long-over-due improvements in the factories in Shanghai and other parts of China, although there may exist differences of opinion as to the length of time or the various stages required before the entire Factory Law can be enforced in the existing industries. In this respect, it may be pointed out that the Municipal Government of Greater Shanghai, after consultation with the Ministry of Industry in Nanking, has already declared its readiness to co-operate with the representatives of the International Settlement in working out a policy of gradual enforcement of the entire Factory Law. Indeed, the National Government, with a view to avoiding any unnecessary or impossible burden on present industries in China, has definitely announced that it would postpone the enforcement of a few of the more exacting requirements of the Factory Law, although the Government firmly maintains that all factories in the country, no matter where they may be located, must respect the standards set in the Chinese Law and work towards its complete fulfillment.

In the minds of those who are responsible for drafting the Factory Law, there is no doubt but that only the Chinese Government and its

---

<sup>1</sup>The complete statement of the Municipal Council is as follows: "The Shanghai Municipal Council supports the principle of industrial regulation but, in view of the fact that the Factory Law promulgated by the National Government is of an extremely far-reaching character, and that a long time must necessarily elapse before the standards at which they aim can be attained, is of the opinion that the first steps toward industrial regulations should be confined to some regulation of such matters as length of the working day and night; compensation for injury arising from employment and for proved and specified industrial disease; bonus; record-keeping; discussion machinery between employers and their own employees; apprenticeship regulations; health and safety features.

local agencies have the power and ability to apply it. While it is true that certain nationals in the International Settlement of Shanghai are still immune from the jurisdiction of the Chinese Government, it is hardly necessary to point out that the Chinese who maintain industrial establishments in the said Settlement, together with their employees, have never waived their Chinese citizenship and are, therefore, amenable only to the laws of China. For the authorities of the International Settlement of Shanghai or any other foreign concession in this country to prevent their Chinese residents from recognizing the Factory Law and the machinery for its enforcement is to disregard completely the sovereign rights of China.

Moreover, no twisting of words and propaganda can convince even the most de-nationalized Chinese capitalist in the International Settlement, as sufficiently demonstrated by the protests made by various Chinese organizations shortly after the above-mentioned amendment was adopted, that the regulation of factory conditions in the Settlement area is merely a municipal problem or a part of the police functions of the Shanghai Municipal Council. From the legal point of view, the power of enacting and enforcing industrial regulations within the domain of the Chinese Republic is vested in the National Government, not in any local *de facto* foreign administration. From the practical standpoint, the responsibility for carrying out factory inspection is of such a stupendous and complicated nature that it can be effectively tackled only by those who have an intimate understanding of the needs and conditions of the Chinese working class.

Furthermore, for the Shanghai Municipal Council or the agents of any other foreign concession in China to set up a system of factory regulation independent of the Chinese Government is to arouse anything but goodwill and co-operation between the Chinese and the foreign industrialists. Such a dissenting course of procedure will merely pave the way for conflict and confusion in the industrial conditions of the various administrative areas in Shanghai, and will eventually defeat the very purpose which modern labor legislation is designed to achieve. In his study on the future of Shanghai, Judge Feetham expressed the same sentiment in the following words: "It is obviously undesirable that the Settlement should start on an entirely independent course of legislation with regard to industrial matters," even though "the standards which the Chinese Factory Law seeks

to introduce may not be unfairly described as ideal." In fact, no measurable improvement in factory conditions in Shanghai is possible unless and until the various political entities can agree on some form of co-operation whereby the Chinese authorities are assured of a fair opportunity to apply the Factory Law, even though in gradual stages, throughout the industrial metropolis in a centralized and uniform way. In the long run, the people in Shanghai must learn to sink their petty differences, give up their superiority complex and merge the three separate areas into one administrative system under the laws of China, for such is the only secure basis for Shanghai's future development. To set up a course of action in contradiction with this inevitable tendency is to close one's eyes to the mammoth and irrepressible forces of readjustment working in China today.

It is now impossible to expect the Chinese authorities in Shanghai to approve the amendment to Bye-law XXXIV as adopted by the foreign ratepayers on April 19, 1933, and in this way let the Municipal Council follow its own wishes in regulating factory conditions in the International Settlement. For the Chinese to agree to such a proposal is not only to set a dangerous precedent and grant the Municipal Council a power that is not invested in the original Land Regulations, but also to impair the integrity of the labor administration of the Chinese Government.

However, it does not mean that the deadlock in the matter of factory inspection cannot be amicably settled. In fact, through the assistance of the International Labor Office commission of experts, Dame Adelaide Anderson and M. Pone, a solution to this problem was practically attained in the fall of 1931, when the representatives of the Ministry of Industry and the Shanghai Bureau of Social Affairs met for several times with the authorities of the International Settlement and the French Concession, and reached the following informal understanding regarding factory inspection in the two special administrative areas:—

1. That there should be only one system of labor regulations for all parts of the industrial districts of Shanghai;
2. That the regulations should be applied by an inspectorate acting in a uniform way;

3. That the authorities of the International Settlement and the French Concession agree to engage as factory inspectors persons who have attended the preparatory courses organized by the Chinese Government and have been nominated by that Government; that they also agree that these factory inspectors shall be under the supervision of officials of the Central Factory Inspection Department of the Chinese Government;

4. That the inspectors will report regularly to the Chinese Government at the same time as to the authorities of the International Settlement and the French Concession;

5. That conferences will be held regularly once a month between the inspectors of the Municipality of Shanghai, the International Settlement and the French Concession to exchange views and co-operate with one another in order to settle any difficulties that may arise.<sup>2</sup>

It is a matter of regret that the effect of the Sino-Japanese conflict in Shanghai early in 1932 has continued to upset the political and economic situation there, and has delayed any serious action on the part of the three municipal organs in making the above principles effective. Perhaps the time has now come for a review of these conditions, which may yet enable the representatives of the Shanghai Municipal Council and the Municipal Government of Greater Shanghai to arrive at a practical arrangement whereby factory inspection can be carried out all over the city without any further delay. *A technical commission with representatives from the three administrative areas might be formed under the auspices of the Municipality of Greater Shanghai in order to work out the best course of uniformly applying the Chinese Factory Law in all the districts there and to assist the factory inspectors of the Bureau of Social Affairs whenever occasion demands.* Such a liaison service will help a great deal in removing the obstacles to factory inspection among both the Chinese and the foreign interests in Shanghai and prevent bread and butter politicians from utilizing the issue of factory inspection for personal ends.

It is an open secret that the Shanghai Municipal Council has co-operated with the Municipality of Greater Shanghai in dealing with political dissenters and in collecting certain taxes for the Ministry of Finance of the National Government. During the last few years, a number of foreign-owned factories in the International Settlement and the French Concession have also co-operated in the application

---

<sup>2</sup>C. Pone: "Towards the Establishment of a Factory Inspectorate in China", *International Labor Review*, Vol. XXV, No. 5, May, 1932.

of the Labor Union Law and the Law for the Settlement of Disputes between Capital and Labor. Foreign as well as Chinese employers in the Settlement area have often resorted to the experience and assistance of the Bureau of Social Affairs in settling industrial disputes and removing the causes of labor agitations. There is no reason why the same co-operation cannot be given the Chinese authorities in regard to the enforcement of the Factory Law—a question of immense humanitarian importance.

### *Strong Public Opinion Needed*

A strong articulate public opinion in support of industrial regulations is a second pre-requisite to their effective enforcement. A good deal of educational work remains to be done with both the employers and the employees before there can be any enlightened and calm attitude towards the present labor laws. The overwhelming majority of the industrial workers in China have hardly heard of the Factory Law, and their unions have so far demonstrated but little interest in urging its enforcement. Various excuses have also been advanced by the employers for postponing the enforcement of the Factory Law. Mr. M. T. Tchou, in an article on "Industrial and Labor Legislation and the Problem of its Administration" presented at the Shanghai Conference on People's Livelihood in 1931, ably summarized the general reaction towards the Factory Law in the following words: "Industries that have had a free hand in dealing with labor do not like to be harnessed. Already great doubt and opposition have been expressed by numerous leaders of industry. Some freely state that the Factory Law is too advanced and is impossible of enforcement, while others assert that if it is enforced, they would be forced to close their factories and thus throw thousands of workers out of employment. At the same time some foreign papers have raised the question of China's ability to enforce the law in certain foreign-owned and managed factories, seeing that they still enjoy extraterritorial privileges. A group of Chinese employers also declared that it would be unfair to enforce the law in Chinese factories when it is not enforced in some of the important foreign factories. From this it can be seen that the application of labor laws in China is going to be a question of considerable difficulty, which will challenge the power of organization and execution of the present Government in no small degree."

Petitions for changes in the Factory Law are too numerous for enumeration here. In fact, due to the opposition of the employers, particularly those in Shanghai, the National Government yielded in its original program of enforcement of the Factory Law, and postponed its application from February 1, 1931, to August 1 of the same year. The typical viewpoint of the factory owners is that China's industries are still in an infant stage, inadequately capitalized and therefore cannot bear the heavy burdens imposed upon them by the Factory Law.

Those who are familiar with the practices of Chinese businessmen, however, can easily perceive that the backwardness of China's industries is due not so much to any burdens imposed upon them by labor regulations as to their own obsolete and inefficient methods of management. The chief problem with Chinese industrialists is not so much the Factory Law as the lack of a scientific spirit and modern methods of business administration. Governed largely by antiquated commercial usages and family considerations, Chinese employers are usually reluctant to employ experts to improve their plants. For example, at one well-known electric plant in Shanghai, it has been successfully demonstrated that its production could be increased to the extent of 16 per cent by merely adopting the principles of scientific management and reducing the amount of machinery left idle during the manufacturing processes. It has also been asserted by a spokesman of the China Institute of Scientific Management that more than 90 per cent of the industrial failures in China are due to bad management. In very few other countries today are the workers as poorly paid as they are in China, and nowhere else do the workers have as long working hours as the Chinese. And yet, industrial development in China has not been very imposing. Two outstanding reasons for the lack of industrial efficiency in China are: unscientific methods of management and the environment in which Chinese workers are forced to work. The Factory Law aims to remedy this very situation by rendering it imperative for the employers to wake up and adopt modern principles of factory administration and thus increase the efficiency of labor. Perhaps eventually the Factory Law will prove to be a blessing in disguise to the employers.

It is further alleged that some of the provisions of the Factory Law are so far-reaching that it would be to court disaster if attempts



were made to enforce them at once. The Law as it stands will require at least a decade or two for fulfillment, it is said. In answer to these objections the Chinese Government has agreed to postpone the enforcement of some of the more drastic provisions of the Factory Law. On July 31, 1931, the National Government approved the recommendations of the Ministry of Industry to grant two years as a period of preparation for the application of Article 13 of the Factory Law (which prohibits the employment of women in night work between the hours of 10 p.m. and 6 a.m.) The Government also decreed that in lieu of Article 18 of the Factory Law, the question of payment of regular wages on weekly rest days should be a subject of free negotiations between employers and employees, although the employers are still required (under Chapter IV of the Factory Law) to give regular wages to the workers for the eight national holidays designated by the National Government. Moreover, the Factory Council, towards which the employers have entertained considerable suspicion, has been officially interpreted as merely a consultative organ—a means of promoting better relations between employers and employees.

The eight-hour day as required by Article 8 of the Factory Law has been proved to be not so "drastic or far-reaching" as it was suspected at first. The Pao Chen Cotton Mill in Tientsin has found the eight-hour shift a successful and profitable practice. According to a report received by Dr. Chen Ta from the Pao Chen factory authorities, the shortening of working hours has resulted in the following benefits:—

1. An increase in production of 4 to 5 per cent;
2. Wages increase at about the same rate as before;
3. More harmonious relations between the employers and the employees;
4. While under the twelve-hour shift the workers frequently had to miss one whole day's work in case of emergency family calls, the eight-hour shift gives the workers sufficient time after factory work to attend to their family affairs;
5. Increased leisure for the workers and thus enabled them to enjoy education during the evenings.<sup>3</sup>

---

<sup>3</sup>Chen Ta: "A Discussion on the Factory Law", *Current Events*, Nanking, May, 1931.

A real handicap involved in the enforcement of the Factory Law in China is the present inability on the part of both the factory authorities and the workers to supply certain indispensable information regarding working conditions to the factory inspectors. As modern record-keeping and factory management are only recently introduced into Chinese industries, they will require considerable time and financial aid to build up the necessary facilities for collecting the data which the inspectors must have in their efforts in applying the Factory Law. Nor are these difficulties confined to the employers, for in a number of particulars the workers themselves have no records to produce to facilitate the work of the factory inspectors. Such things as birth and health certificates are practically unknown to the masses of Chinese workers. Pending the development of adequate public health facilities and the enforcement of a system of birth registration in China, temporary arrangements will have to be worked out in securing these data for the factory inspectors.

#### *Machinery for Labor Administration*

Thirdly, unlike the industrial nations of the West, China has not yet developed special government organs for the administration of industrial legislation, and whatever simple machinery she now possesses for the administration of labor affairs is essentially of an inexperienced and unstable character. It is true that in the Ministry of Industry of the National Government there is a division of labor, which is specially charged with the duties of investigating labor conditions, and promoting workers' welfare and labor legislation; that in the various provincial governments the authority to deal with labor affairs is assigned to the Bureau of Civil Affairs or sometimes the Bureau of Reconstruction; and that in especially large municipalities like Shanghai, Nanking and Tientsin, Bureaus of Social Affairs have in recent years been established to supervise the registration of labor unions, the settlement of strikes and industrial disputes, and the enforcement of labor regulations. But all in all, there does not yet exist any centralized authority to see that the Factory Law will be uniformly applied in the entire country. A Central Factory Inspection Commission was set up in Nanking about two years ago, but was shortly dissolved. Efforts are being made again (May, 1933), to revive this organization. Without political stability and a strong centralized Government, such necessary steps as would insure a uniform and

effective application of the Factory Law can hardly be achieved. Many departments of the Chinese Government are built upon political affiliations and personal relationships, and as such they are constantly subject to change. One of the pre-requisites to successful and effective factory inspection is that the persons engaged therein should not be subject to frequent change, but be permitted to accumulate their experience and in time develop a special technique in carrying out their duties.

In this connection, the persistent development of a competent factory inspectorate can hardly be over-emphasized. A start should be made in selecting, training and bringing together a group of factory inspectors, and a system of factory inspection built up under the direction of a central government agency. Recognizing the importance of this task, the Ministry of Industry early in 1931 invited the International Labor Office to send to China a commission of experts to assist her in bringing about factory inspection. As a result, Dame Adelaide Anderson and Mr. C. Pone came to China in September that year and undertook an investigation of factory conditions with a view to setting up the necessary machinery towards the uniform application of the Factory Law.<sup>4</sup>

The impression which the International Labor Office commission of experts obtained was that the conditions in the factories they visited were far from satisfying the rules laid down in the Factory Law, and that the observance of these rules would require very considerable modifications in the organization and methods of operation of a large number of factories. The commissioners also reported that in all industrial countries, even in those of the most advanced standing, the regulations on labor conditions have come into existence step by step and little by little, and this process has often occupied several decades. This method of developing labor regulations has also enabled the progressive development of an efficient factory inspectorate.

---

<sup>4</sup>Two institutes, with a total attendance of about 60 persons, were conducted by the Ministry of Industry in the summer and fall of 1931 for the training of factory inspectors. The candidates were selected and sent by various parts of the country, and it was hoped that they would be appointed factory inspectors by their respective authorities upon the completion of their training. The number of inspectors trained hitherto, however, is too inadequate to meet the needs of any conscientious enforcement of the Factory Law.

As a result of their deliberations, the International Labor Office commission of experts made the following recommendations to the National Government of China regarding the enforcement of the Factory Law and the functions of the factory inspectors:—

1. During the earlier months, the factory inspectors should visit all the factories in their respective districts, get in touch with the managers of the factories, collect data on the number of workers employed, and enter particulars required by the Factory Law;
2. The inspectors should in the second stage devote the major part of their efforts to the conditions of health and safety in the factories, and ask the managers to amend the most outstanding dangers and omissions discovered in the factories;
3. They should see that the provisions regarding weekly rest, breaks, holidays, etc., are properly applied. At the same time, they should prepare the way for enforcing other stipulations of the Factory Law.

The above recommendations were strengthened by the conclusions in a special study on the applicability of the Factory Law made by Dr. Chen Ta of Tsing Hua University in the summer of 1931. Dr. Chen undertook a study of the conditions in 228 factories in the Shanghai district, of which number 176 were Chinese factories and 52 foreign. The total number of workers engaged in these factories was 171,173, including 104,145 women and about 12,000 children. As a result of his study, Dr. Chen Ta concludes that an immediate application of all the stipulations of the Factory Law would cause disastrous effects upon China's industries. He maintains that the gulf between the Law and reality is yet too wide to be easily bridged, and that the Factory Law should and can be applied only in a progressive manner. Instead of the eight-hour day as stipulated by Article 8 of the Factory Law, Dr. Chen suggests that a ten-hour day or shift should be attempted first; and instead of granting to the workers one rest day per week with pay as stipulated by Article 18, he recommends that two rest days per month should be attempted. Dr. Chen believes that if a total number of sixty holidays per year with pay (fifty-two rest days and eight national holidays) is granted to the workers, as originally demanded by the Factory Law, it would incur an economic burden too expensive for the existing industries to stand.<sup>5</sup>

---

<sup>5</sup>For further suggestions about the Factory Law, see Table 12.

While there is a great divergence of opinion regarding the applicability of the Factory Law as a whole, it is most desirable that the Chinese Government should live up to its promises and immediately enforce the "more realistic" provisions of the Law. A start can and should be made in enforcing certain minimum labor standards, and as political conditions in China become stabilized and as a competent factory inspectorate is built up, the Factory Law in its entirety might eventually be a goal worthy of attainment. In the meantime, it should be remembered that the Factory Law can be applied only in factories where thirty or more workers are regularly employed and where the machinery is driven by electric, steam or water power. The small industrial establishments, which are far more prevalent in China than the large factories, present problems that require equal attention and should also be brought under control by appropriate measures.

Industrial and labor regulations, it may be concluded, have never come into being without strong opposition, and their successful application always have their price. China must be prepared to pay this price, if her labor conditions are to be brought up to modern standards of efficiency and her industries to a basis of justice and tranquility. What is greatly needed in China today is the cultivation of an intelligent and favorable public opinion towards labor legislation, though its ultimate success will in no small measure depend upon how much initiative and persistence the workers themselves will show in making the employers conform with the standards required by law.

TABLE 12. A COMPARATIVE TABLE SHOWING THE APPLICABILITY OF THE FACTORY LAW<sup>1</sup>

Item	Present Practices	What The Act Requires	Suggestions Upon Basis of Study
(1) Record Keeping	In vogue, but upon simple plan	15 categories: full copies twice yearly	15 items: annual summary reports
(2) Hours of Work	Ranging from 8 to 11.8 as average in 6 industries	8 hour day: 10 hour day with permit	10 hour day and night shift for women and children only
(3) Hours of Night Work (women)	Between 6 p.m. and 6 a.m.	None from 10 p.m. to 6 a.m.	Any 10 hours between 6 p.m. and 6 a.m. for the next 3 years
(4) Hours of Night Work (children)	Between 6 p.m. and 6 a.m.	None from 7 p.m. to 6 a.m.	Any 10 hours between 6 p.m. and 6 a.m. for the next three years
(5) Overtime	No limit	2 hours per day up to 36 per month	As in the Act
(6) Rest Days	Average of 2.6 per month without pay. Often not taken	4 per month with pay	2 per month without pay. Compulsorily taken
(7) National and Festival Holidays	Average of 14.4 days per year, some with pay	8 national holidays with pay	8 national holidays with pay
(8) Annual Leave	Not regularly given	7-15 days with pay	Suspended indefinitely
(9) Age of Admission of Young Workers	9-10 years. 14 in cotton mills (some)	14 years	12 years by agreed upon standard
(10) Hours of Work of Young Workers	Full time worked by adults	8 hours per day	10 per day or night for two years; then 8 hours work and 2 hours education by day and 10 hours at night till night shift goes.
(11) Compensation:			
(a) Injury arising from employment	Commonly paid, no standard sum	2/3 wages for 6 months then 1/2	As in the Act
(b) Permanent injury	Commonly paid, no standard sum	1-3 years wages	As in the Act
(c) Death	Commonly paid, no standard sum	2 years wages plus \$300.00	As in the Act
(d) Sickness	Sometimes paid	As for injury	Payment for specified industrial disease only
(e) Medical Expenses	Commonly paid	Required up to \$30.	As in the Act
(f) Funeral	Commonly paid	Required up to \$30.	As in the Act
(12) Education	55 factories have provision	10 hours a week up to 16 years	As in the Act for those from 12-15 years, after two years of enforcement
(13) Maternity Bonus	Average \$16.02 per case	8 weeks leave, with pay	4 weeks leave to those employed for one year, after 1 year of enforcement
(14) Bonus	Common	Bonus or share of profits	Up to 4 per cent of annual wage
(15) Safety and Health Provisions	Inadequate in many factories	Not sufficiently definite.	Clear, definite
(16) Wage Payments	1 or 2 a month, fines retained in advance at times	2 a month—no retention in advance	As in the Act
(17) Principles of Wage Determination	"Supply and Demand"	Cost of living in district	Postponed for scientific investigation
(18) Contracts	Sometimes written	Double pay in lieu of notice; or pay and a half for notice period Graduated notice: specified reasons for dismissal	15 days notice or single pay in lieu: suspension of other clauses
(19) Factory Councils	Not found	With discussion functions and certain powers	For discussion only
(20) Apprenticeship	Common and with bad conditions	Contracts and fixed terms	As in the Act

<sup>1</sup> Chen Ta: *Study of the Applicability of the Factory Act of the Chinese Government*, China Institute of Scientific Management, Shanghai, P. 30.

## CHAPTER IX

### PROBLEMS OF WORKERS' EDUCATION

#### *Need of Public Education*

Dr. Hu Shih, well-known Chinese scholar, once remarked that the three greatest enemies of the Chinese people are poverty, disease and ignorance. Of these, ignorance is perhaps the root of most of the socio-economic maladjustments in China today. For a review of her educational conditions will show that much of her economic backwardness and distress is due to no other reason than the lack of education on the part of the overwhelming masses of her population. As Professor R. H. Tawney rightly concludes in *Land and Labor in China*, any great economic improvement on her part must be preceded by the development of an adequate system of public education. Such a system of public education, it is needless to say, must give primary consideration to the problems and needs of the workers and the peasants, since on their shoulders largely rests the future of China's economic progress. Before considering the problems of educating this vast working population, one may well refresh one's mind with the present status of education in China.

#### *Present Educational Conditions*

That the majority of the Chinese people can neither read nor write is a commonplace that needs no reiteration here. It was estimated by the Ministry of Education in 1930 that the number of people between the ages of 16 and 60 who have not had elementary education constitutes 46.5 per cent of China's total population or over 202,784,000 people.<sup>1</sup> The number of vocational schools in China, in spite of considerable agitation for vocational guidance and training in recent years, is still less than 150.<sup>2</sup> At the second National Educational Conference held at Nanking in April, 1930, it was estimated that more than 40,000,000 children of school age have yet to be provided with modern

---

<sup>1</sup>Lee Cheng: "Social Education in China," *Current Events Year Book 1930-31*, Current Events Association, Nanking, p. 550.

<sup>2</sup>Koo Shu-sen: "General Education in China," *Current Events Year Book 1930-31*, p. 547.

educational opportunities, and that about 1,400,000 teachers have to be trained to carry out this huge responsibility. There are less than 1,500 middle schools in the whole of China, which means that there is only one middle school for every 300,000 Chinese.<sup>3</sup>

Higher education in China is equally undeveloped. According to an official report on higher education in China for the year 1930-1931, there are less than 60 government and private institutions of university or college standing (excluding those which have not registered with the Ministry of Education), and their combined faculties amount to less than 5,000 persons, which is indeed an insignificant number when compared with the strong faculties in many universities abroad.<sup>4</sup> There are only 60 regular college students for every million Chinese, as compared with 6,937 for every million Americans.<sup>5</sup> Although the above information contains a number of omissions and loopholes, it is sufficient to indicate that the existing educational facilities in China are pitifully inadequate to meet the needs of her vast population or the demands of any scheme of national reconstruction. It is often said that China's greatest asset is her man-power, but without an extensive educational development her teeming millions are really more like liabilities than assets in the balance sheet of national rehabilitation.

### *Defects in Educational System*

The development of modern education in China, moreover, has largely concentrated in the urban regions and is too removed from the interests and problems of the masses in the interior. In Shanghai, for example, there are too many colleges and universities, whereas in a number of inland provinces there is not even one institution of real college standing. Similarly, the middle schools have not been evenly distributed over the land, but have largely grown up in the treaty ports and commercial centers. There is a tendency for the educational institutions in China to serve only the business and wealthy classes and to overlook the needs of the working and farming popula-

---

<sup>3</sup>Ibid.

<sup>4</sup>Sun Ping-wen: "Higher Education in China," *Current Events Year Book 1930-31*, p. 539.

<sup>5</sup>*Chung Hwa Education Review*, Chung Hwa Book Company, Shanghai Vol. 19, No. 8, February, 1932, p. 46.



tion. "The result is a favouring of schools of higher standard, generally rising far above the condition of the impoverished country whilst the primary and vocational instruction most indispensable for the people is neglected. There is also the lack of social ideals within the schools, an abstract kind of instruction not directly connected with surrounding life and the necessities of the country's rebirth usually obtaining. This creates an enormous abyss between the masses of the Chinese people, plunged in illiteracy and not understanding the needs of their country, and the intelligentsia educated in luxurious schools and indifferent to the wants of the masses. Such an educational system is highly injurious to the masses and dangerous, because a carefully educated social elite not closely connected with general needs may become transformed into an unproductive clique enclosed within the narrow bounds of its own interests."<sup>6</sup>

Of course, in Chinese history education has long been more ornamental than practical and a mere stepping stone to officialdom. The system of civil examinations which prevailed in China for centuries merely dwelt upon abstract knowledge and speculative thinking, and entirely neglected practical learning. Those who happened to pass these examinations and thus gained admission into the privileged class were more often than not surrounded by the well-to-do, the gentry and the literati. Amidst a life of comfort and "culture," the educated class had little contact with the problems of the common people. In spite of the fact that the introduction of modern education has brought about a greater emphasis on education for national service and social reform, most schools in China today are predominantly individualistic in their methods and objectives, and tend to aid individual ambitions rather than the life of the multitudes. The traditional notion that manual labor is less respectable than mental labor is still articulate among Chinese students. The current practice of utilizing education as a tool for political careering has only widened the gulf between the educated and the under-privileged. Instead of facing the realities and problems of life, the Chinese educational system tends to turn young men away from their environment. Writes Mr. Julean Arnold: "The privileged few in China who have enjoyed a modern education have, in many instances, simply substituted a Wes-

---

<sup>6</sup>League of Nations' Mission of Educational Experts: *The Reorganization of Education in China*, League of Nations' Institute of Intellectual Co-operation, Paris, p. 21.

tern academic for an old-time Chinese classic education. Scholastic degrees from Western-type schools in China have been considered by many as the final objective in a modern collegiate training. Too many students in China are being educated away from the needs of a Chinese environment and too few are being trained to understand their own country, its pressing problems, and how best to make themselves factors of consequence in the needs of China today and tomorrow."<sup>7</sup>

### *Government's Interest in Workers' Education*

Under these circumstances, the education of the workers and the peasants has naturally occupied a very small place in China's educational programs and expenditures. Such a condition is hardly conducive to the successful development of a prosperous and independent national life. Instead of adopting piecemeal reforms or borrowing innovations from abroad, China should work out a comprehensive and indigenous educational policy, which can be integrated into her whole plan of national reconstruction.

The growth of the Nationalist movement, coupled with the rise of the Chinese peasant and labor movements, has aroused a serious public interest in workers' education and rural education during the last few years. Under the auspices of various organizations such as labor unions, factories and social welfare agencies a number of experiments have been initiated in recent years to promote education among the under-privileged. At the second National Educational Conference held in 1930, special emphasis was laid on workers' education and the following recommendations were adopted:—

1. That the Ministry of Education and the Ministry of Industry should co-operate in seeing that supplementary schools for adult workers are established in all factories and commercial establishments which employ forty or more workers, and that the costs of such supplementary schools should be borne by the owners or shareholders of the factories;
2. That the Ministry of Education be asked to prepare special educational materials for use among factory employees and workers; and
3. That the educational authorities in the various municipalities and *hsiens* in China be asked to employ experts to give lectures regularly in the factories within their respective jurisdiction.

---

<sup>7</sup>Julean Arnold: "The Commercial Problems of China," *Annals of the American Academy of Political and Social Science*, Vol. 152, November, 1930, pp. 147-48.

In January, 1932, the Ministry of Industry promulgated a plan for promoting education among factory workers in China. According to this plan all factories and commercial establishments which employ between 50 and 200 workers should open at least one school for adult workers, and one more for every additional 200 workers. The plan also stipulates that the study hours should not be less than eight per week, and should be conducted after the regular working hours. The schools should, furthermore, supply the workers with textbooks free of charge. To what extent this plan can be carried out in the factories in China only time can tell, but it is hoped that the proposals may serve as a practical basis for the employers to spread education among the workers during this period when the National Government is incapable of financing any large-scale educational program.

#### *Workers' Education in Shanghai*

Workers' education is perhaps more wide-spread in Shanghai than in any other city in China. According to the investigations of the National Vocational Education Association in 1926, there were at that time only 9 supplementary schools for adult workers in Shanghai, with an enrollment of 812 and a faculty of a little over 40 persons. According to the report of the Shanghai Bureau of Social Affairs in 1929, there were 24 schools for workers' children with a total attendance of 3,744 students. Of the 24 schools, 20 were conducted by labor unions, 2 by social welfare agencies and 2 by factory authorities. According to the same report, there were 20 schools for adult workers with an enrollment of 1,548 students. Of the 20 schools, 8 were conducted by the Bureau of Education in Shanghai, 4 by social welfare agencies, 7 by labor unions and 1 by a factory.<sup>8</sup>

In 1930, the Shanghai Kuomintang headquarters began to take an active interest in promoting workers' education in the city and formed a special committee for this purpose. Within the last two years, this committee has opened 20 schools for adult workers with about 2,000 students. Of course, many schools for workers and many more for their children have not been included in the above reports for one reason or another. It is impossible to tell the exact extent to which workers are enjoying education in Shanghai. But from the fragmentary

---

<sup>8</sup>*Chinese Labor Year Book, Second Edition*, Institute of Social Research, Peiping, Part III, pp. 149-150.

data mentioned in the two previous paragraphs, it is quite obvious that the total number of workers who can attend school constitutes only a very small part of the whole industrial population in Shanghai, estimated at 285,700 by the Bureau of Social Affairs in 1928. Schools for workers are also found in other industrial centers of China such as Tientsin, Tsingtao, Canton, and Hankow, but their numerical strength is still too small to make much difference in the lives of the people they intend to serve.

Besides the efforts made among the factory workers in the industrial centers, workers' education is also being developed in the various mining, transportation and communication enterprises in China. In 1930 the Ministry of Agriculture and Mining conducted an investigation of the educational conditions in the various mines in China. According to the schedules which came back to the Ministry, there were only 13 schools for workers' children and 6 for adult workers, with a total number of 4,384 students. Again, the Ministry of Communications reported in 1929 that there were 10 schools for adult workers and 4 for workers' children in the various enterprises under its supervision. Compared with the total number of employees and workers in these mining and communication enterprises, the number of those who have access to educational facilities is indeed infinitesimal and unimportant.

### *Some Educational Experiments*

During recent years, a number of interesting and inspiring experiments in workers' education and rural education have been started in various parts of China. The three most outstanding of these experiments are the workers' educational institute in Wusih, the mass education experiment in Ting-hsien and the rural reconstruction institute in Chow-ping, Shantung.

Under the auspices of the Kiangsu Provincial Government an attempt is being made to work out and promote a realistic form of workers' education in the industrial district of Wusih. Within the last few years and despite financial and other handicaps, the institute has developed and compiled considerable material for use among factory workers, and has published several kinds of text-books and pamphlets specially adapted to the educational standards and needs of the

workers. When one bears in mind the utter absence of appropriate literature for promoting workers' education in China, the endeavors that are being made by the Wusih workers' educational institute are indeed worth studying, and should inspire similar and greater efforts on the part of other organizations interested in workers' education.

At Ting-hsien, Hopei province, the National Association for the Advancement of Mass Education has started an experiment in rural education. Although the Association has been engaged in promoting mass education in China ever since the close of the World War, little effort has been made to bring its program and experience to the farming population and to conduct its projects on a broad and realistic basis. In 1929 the Association moved its headquarters from Peiping to Ting-hsien, a small town on the Peiping-Hankow railway, and there the Association settled down to carry out a three-fold program among the farmers: to remove illiteracy during the first period, to utilize education in improving agricultural and economic conditions during the second stage, and to promote civic education and self-government during the third stage. By 1930 more than 14,500 people had already attended the various mass education schools which the Association has established in the district.<sup>9</sup> The Ting-hsien experiment has now attracted the attention of many government and private organizations, particularly the Christian churches, and will doubtless stimulate similar efforts in promoting rural education in other parts of China.

At Chow-ping, the Shantung Provincial Government established in June, 1931, a rural reconstruction institute (山東鄉村建設研究院) with the view of, first, studying into the problems of rural reconstruction and, secondly, training rural workers for carrying out various projects of reconstruction in the 108 districts of the province. The institute is divided into two main divisions: the research division and the training division. In addition, the institute conducts a large experimental farm which, besides serving the students and the research workers, conducts a good deal of extension and promotional work in the surrounding villages through the organization of village schools, demonstrations and exhibitions, lecture campaigns, etc.<sup>10</sup> Persons who

---

<sup>9</sup>*Chinese Labor Year Book, Second Edition*, Institute of Social Research, Peiping, Part III, p. 167.

<sup>10</sup>For a detailed account of the work of the Shantung rural reconstruction institute, see *Shun Pao Monthly*, Vol. II, No. 5, May 15, 1933.

join the training division of this institute are sent by the various district governments in Shantung, though a limited number of students from other provinces are also admitted. The students must be between 20 and 35 years of age and willing to endure hardships. During their period of training in the institute, the men live exactly as the farmers do and go through a form of discipline very much like that of the regular army. The courses of study given by the institute are as follows: Kuomintang principles, military science, rural credit and co-operatives, public health, farm management, road building, social statistics and crop improvement. In the research division, men of more mature standing are accepted for studying various questions of rural reconstruction in the province. At the time of this writing (May, 1933), the institute has about 80 members in its faculty, more than 30 workers in its research division and over 300 students in its training division. Within the last two years, about 280 rural workers have graduated from the institute and have returned to their respective country districts to undertake reconstructive projects. What is being worked out and applied in Ting-hsien and Chow-ping should be serious food for thought to those who are interested in promoting rural education in other parts of China.

### *Problems of Workers' Education*

So far educational work among the laboring people has been largely promoted in the same forms and with the same technique as those applied in the conventional type of schools in China. Quantitatively as well as qualitatively speaking, workers' education is indeed in an infant stage. A number of difficulties must be overcome if education is to be extensively developed among the working class in China. First, a great portion of the workers are still dominated by traditional thinking and antiquated practices. Many of them do not appreciate the value of education, but accept their present plight as inevitable and unchangeable. Secondly, the overwhelming majority of Chinese workers are working such long hours that they have neither the time nor the physical energy for education. Thirdly, the low wages which prevail in China do not permit the workers or their children to indulge in education for any long period. In the fourth place, the intricacies of the Chinese language and the differences in the various dialects in China make it extremely difficult to develop workers' education on an extensive scale. To be able to use the

Chinese language effectively, one has to go through a long and tedious process of training. In the average Chinese school, too much time is spent on studying the language and too little on using it as an instrument for disseminating scientific information and productive education. Although recently a number of improvements have been made on the Chinese language, they have not sufficiently simplified it to arouse very great interest in education on the part of the common masses in China. In order to make it possible to promote workers' education on a vast scale, it is imperative to remove the above-mentioned hindrances at once.

If workers' education in China is to be of any meaning to the people it wishes to serve, it should develop its own methods of approach and objectives instead of blindly following the foot-steps of educational movements abroad. The experiments in workers' education in England and in rural education in Denmark may be indeed useful references, but they cannot be totally copied in China. The needs of the workers differ in different parts of China and even in different districts of the same province. Workers' education should take into account these local peculiarities.

It is generally admitted that Chinese laborers are quite expensive from the standpoint of individual output, and that to improve their efficiency and productivity they must acquire a good understanding of the elementary sciences, modern industrial operations and, above all, a sense of responsibility towards the particular industry with which they are connected. In the past, education among Chinese workers has proved ineffective largely because it has not tried to help them face their problems squarely, and has not been practical enough to improve their economic standing. Workers' education from now on should give greater consideration to the problems of livelihood and life situations. It is said that education is life and that life is but a process of education. If this saying is to be applied in China, workers' education should be developed as a continuous process instead of being confined to the class-room or a few text-books, and should look for other channels of enlightenment than the traditional school system.

Another problem involved in developing workers' education in China is the urgent need for proper materials and literature, both for use as text-books and for injecting into the minds of the workers a

social philosophy that will stimulate them to push forward their movement for independence and emancipation. It is true that within the last few years there has been a sudden growth of radical and proletarian literature in China. But there is yet little material that is based on the Chinese workers' own environment or shaped to help them meet their own problems. Encouragement should be given those who are now engaged in the development of workers' literature, and greater emphasis should be laid on the training of leaders for this type of literary service.

The lack of steady financial support for education in China is also a serious problem. The financial straits to which teachers in this country are frequently subject are well known and need no elaboration here. While it is impossible to obtain exact figures regarding the annual educational expenditures of the Chinese Government, the amount indeed makes a sad showing when compared with the millions of dollars squandered for civil warfare or similarly wasteful activities. Ways and means should be immediately devised to secure adequate financial resources for promoting workers' education in China, and these sources of revenue should be kept only in independent and reliable hands. Without some assurances of a steady financial support for education, and workers' education in particular, it is futile to expect any wide-spread enlightenment or rapid economic improvement on the part of the common people in China.

The sufferings of the Chinese masses cannot be attributed entirely to the oppression of the imperialists or the exploitation of the capitalists. While an enlightened public opinion relating to the problems of social economy and a higher regard for the worker's interests are indispensable conditions for improving his environment, a thorough and permanent solution for his problems can be effected only through his own educational efforts. In numerous cases reforms are impossible because of the workers' own ignorance and illiteracy. In order to wipe out such evils as exploitation and corruption among the factory authorities as well as among the labor leaders, it is imperative that workers' education should be promoted forthwith on the most extensive scale possible. Such an educational movement should not aim to educate the workers out of their own class, but train them into effective leaders in the labor movement and inspire them to fight for their own rights and interests.



It is equally important that Chinese industrialists, employers and those who are concerned with the workers' welfare should adopt a more far-sighted attitude towards the working class and a constructive policy in developing workers' education. The Chinese workers today are drifting into radicalism and are demanding a greater share in all walks of life. If their aspirations are not met with sympathetic understanding and their movements directed into constructive avenues, they will eventually rise in fury to take what they want by force. The time has now come for Chinese employers to make heavy sacrifices and to improve their relationships with the workers voluntarily. If we obstruct labor's legitimate efforts at unionization and emancipation, and refuse to reconstruct our economic institutions on a more humane and democratic basis, we must not be alarmed if the toiling masses in China seek their salvation in their own drastic ways.

## CHAPTER X

### PROBLEMS OF UNEMPLOYMENT AND UNDER-EMPLOYMENT

#### *Unemployment and Under-employment*

While unemployment is now a world-wide problem it is perhaps most pronounced in poverty-stricken China. In point of fact, it is more correct to describe the situation in China as one of under-employment rather than unemployment, for strictly speaking, unemployment as it is found in a highly industrialized nation like the United States presents itself in China only in a comparatively small degree. It is true that the changes in market conditions, the use of scientific instruments and appliances, the improved methods of production, the growth of labor disputes, the increase in the use of foreign goods by the Chinese people and the economic depression abroad have, in various degrees, affected the wheels of industry and commerce in China and have even brought about alarming dislocation in the small-scale and handicraft industries. It is also true that for these reasons many thousands of workers have been thrown into the wilderness of privation, and that tens of thousands of Chinese overseas have been forced to return to their homeland during the last few years. But broadly speaking, the effects of industrial unemployment are not as manifest and miserable in China as they are in some of the advanced nations of Europe and America. Some would attribute this difference to the low standard of living that prevails among the Chinese masses, but there is another dissimilarity between the economic panorama in China and that of the West. In Europe and America, men become jobless largely because of the inherent shortcomings of their capitalistic form of organization; in China the great masses of the people have, perhaps, never been gainfully employed. Economically backward and politically unsettled, the issue that the Chinese have to tackle first and foremost is really under-employment. The importance of making this distinction between industrial unemployment as it exists in the West and under-employment as it prevails in China cannot be over-emphasized, for without a clear recognition of the economic symptoms there can be no correct prescription for the millions of jobless people in China.

*Extent of Under-employment*

Social statistics is a new science in China. As yet there are no reliable studies or data to show the exact extent of under-employment in China, although its seriousness may be demonstrated by the following fragmentary material. According to Dr. Leonard Hsu's estimate, about 35 to 45 per cent of the male population and about 10 to 20 per cent of the female population in China are gainfully employed, which means only 23 to 33 per cent of the entire population in China are gainfully employed.<sup>1</sup> In a report on unemployment conditions in the leading countries of the world in March, 1926, Mr. Walter Leaf, then chairman of the International Chamber of Commerce, estimated that on the basis of a total population of 436,094,000 China had at that time at least 168,322,000 people who were without regular employment.<sup>2</sup> The data collected by various philanthropic organizations in China, issued in the Shanghai *Shun Pao* on September 5, 1929, revealed that in the whole country there were over 105,000,000 poor people who were depending upon charity for their living.

It is generally agreed among students of labor problems that about 70 per cent of the population in a majority of countries of the world are made up of the laboring class, and if this percentage is true in China, there should be about 280,000,000 industrial, handicraft and agricultural laborers among her 400,000,000 people. However, according to Ma Chao-chin's *China's Labor Problems* (馬超俊: 中國勞工問題), there are only 121,260,000 laboring people in this country. This would mean that at least 158,740,000 people in China are without regular employment.<sup>3</sup> While the above estimates are by no means comprehensive or final, they may perhaps be regarded as fair indications of the acuteness of under-employment in China.

*Causes of Under-employment*

The causes of under-employment in China are many, and can hardly be dealt with in full within the limits of the present chapter.

---

<sup>1</sup>Leonard Hsu: *Chinese Population Problems*, Commercial Press, Ltd., p. 87.

<sup>2</sup>Lu Tso-hsu: *Unemployment Questions*, World Press, Shanghai, p. 22.

<sup>3</sup>Sheldon Tso: *The Labor Movement in China*, Commercial Press, Ltd., Shanghai, p. 48.

In the following paragraphs, only a few of the outstanding causes are enumerated.

First, the break-up of the agricultural system in China has brought havoc to millions of hard-working people. "In consequence of continuous civil wars, severe exploitation on the part of the landowners, usurers and gentry, unbearable taxation and the destruction of the irrigation system, the basic masses of the peasantry have been doomed to pauperisation, poverty, starvation and slow death. The area under cultivation decreases from year to year. Province after province is affected by the bad harvest. Last year (1930) the amount of harvest gathered in comprised 45 per cent of the usual harvest. The output of agricultural products, both the products that go for export and those that are of technical significance (silk, cotton, tea and beans) as well as the basic foodstuffs, is being sharply curtailed. The industry working up agricultural raw materials is undergoing depression. More than half of the oil mills have closed down. The amount of rice imported as well as other foodstuffs is steadily growing. Famine affects ever new millions. Thus according to the data of the National Famine Relief Committee, there were in 1927 9,000,000 famine-stricken people, in 1928 37,000,000, in 1929 57,000,000 and in 1930 71,000,000. The big flood this year (1931) has served to increase this number by several tens of millions more."<sup>4</sup>

The world economic crisis has also adversely affected employment prospects in China. "The closing down of large numbers of big factories and mills, the transfer of Chinese enterprises to the foreign capitalists, the bankruptcy of the small artisan enterprises and manufacturing houses—all of this has come to be usual phenomena. Out of the 110 Chinese silk filatures in Shanghai last year (1930) over 90 were closed down. Also a large part of the cotton spinning mills have gone out of existence, while those operating have work only for 40 to 50 per cent of their capacity. The porcelain industry has curtailed its production to one-half. Not only the weak and financially poor enterprises are closing down but also those that formerly were looked upon with 'pride' by the national bourgeoisie, such as the tobacco factories of the Nanyang Brothers, the China Merchants' Steamship Company, etc. The Chinese market has become disor-

---

<sup>4</sup>From *Eastern and Colonial*, Vol. IV, Nos. 10-11, August-September, 1931.

ganized. The sharp fall in silver prices is one of the most important factors tending to intensify the economic crisis in China."<sup>5</sup>

It was further estimated that in 1930 over half a million Chinese workers from Singapore, Malaya, Dutch East Indies, South America and Europe were forced by economic depression to return to their homeland.<sup>6</sup> In 1931 the total number of overseas workers who had to return to China was 283,890, according to the Central Overseas Affairs Commission in Nanking. According to the figures of the All-China Labor Federation (Red), 60 per cent of the total number of industrial and handicraft workers in China (or about 10,000,000) were unemployed in all branches of industry, commerce and trade in 1930.<sup>7</sup> Thus during the last few years, the living standards of the Chinese workers have been greatly reduced. Everywhere nominal wages as well as real wages have been cut; adult workers are being replaced by women and children; and dismissals and lockouts are frequently carried out to enforce economy.

Employment conditions in the leading industrial centers in China have been just as bad in recent years. In the city of Shanghai alone, an investigation conducted by the Bureau of Social Affairs in July, 1928, revealed that of the 394,154 workers who had registered with the Bureau, 75,219 were unemployed. In other words, 20 per cent of the workers who had registered were unemployed. Moreover, this figure did not contain the number of unemployed who were not labor union members and who were, therefore, too difficult for the Bureau to keep in touch with. Later in the year, the Bureau of Public Safety reported that there were 110,000 "destitutes" in the Shanghai city area. Unfortunately these data have not been kept up to date, but owing to the Manchurian imbroglio in 1931 and the undeclared war in Shanghai in the early part of 1932, it is safe to say that the extent of unemployment in Shanghai and its vicinity has increased by leaps and bounds. In Hankow, another important industrial center, the Bureau of Social Affairs reported that there were 96,050 unemployed laborers and 6,090 unemployed shop employees in November, 1928. This unhappy situa-

---

<sup>5</sup>*Ibid.*

<sup>6</sup>*Current Events Year Book, 1930-31, Nanking, p. 141.*

<sup>7</sup>If this statement is accepted, then the total number of industrial and handicraft workers in China would be over 16,666,000, which is 1,000,000 more than the estimate given in Chapter XIII.

tion in Central China has not improved, because of the increasing activities of the Communists in that region and the disastrous flood along the Yangtze river provinces in the summer of 1931. In Peiping, according to an investigation made by the municipal government in November 1932, no less than 905,00 people (including women and children) or about 61 per cent of its total population of 1,460,000 have no regular occupations.<sup>8</sup>

The difficulty of earning a living is not confined to the industrial centers. From far-off Szechuan to nearby villages, hundreds of young men flock to the new capital (Nanking) to see if they cannot procure work with the National Government. When in the fall of 1928 the Ministry of Agriculture and Mining gave an examination for selecting 20 office clerks, 380 candidates participated. About the same time, 500 people applied for the 20 vacancies made known by the Ministry of the Interior. For the 10 clerkships offered by the Ministry of Railways, 1,571 persons applied. A few years ago when the Canton branch of the Central Political Council offered a few \$60-per-month jobs, over 2,000 persons applied for them, including college graduates and returned students. Out of the 780 people who took the 1930 Customs service examination in Shanghai, only 80 were actually considered and of this number only 20 were accepted.

Because of the faulty educational system in China, the majority of the young people do not acquire at school any substantial knowledge to help them build up their future career. As a result, hundreds of them cannot make satisfactory adjustments in Chinese society upon their graduation from school, and unemployment is growing more and more extensive among the intellectual class. According to reports issued in the Tientsin *Ta Kung Pao* on June 29 and 30, 1932, not more than 5 per cent of the graduates in the following colleges and universities in North China and East China were able to obtain jobs at the time they were graduated:—

Name of School	No. of Graduates
Tsing Hua University .. .. .	139
Yenching University .. .. .	214
National Peking University .. .. .	251
Peiyang College of Technology .. .. .	66
Chung Kuo College, Peiping .. .. .	298
Ming Kuo College, Peiping .. .. .	416
Peiping College of Engineering .. .. .	50

<sup>8</sup>From *China Evening News*, Shanghai, November 18, 1932.

Nankai University, Tientsin .. .. .	39
Hopei Provincial College of Engineering .. .. .	43
Hopei Provincial College of Law and Commerce .. .. .	88
St John's University, Shanghai .. .. .	28
Chih Tze University, Shanghai .. .. .	152
Kwang Hua University .. .. .	79
Hopei Provincial College of Agriculture .. .. .	3
Cheeloo University, Tsinan .. .. .	38
Chi Nan University, Shanghai .. .. .	224
Chekiang National University .. .. .	70
College of Communications, Tongshan .. .. .	46
<b>Total number of graduates .. .. .</b>	<b>2,244</b>
<b>Number employed upon graduation .. .. .</b>	<b>112</b>

It should be borne in mind that the above table represents only the important schools in North China and East China, and that a similarly gloomy picture of the situation among the college graduates in South China, Central China and West China might be easily produced here. The question of employment for students who have returned from abroad and for middle school graduates in China is equally acute, if not more so. In the large cities like Shanghai, Peiping, Canton, Hankow and Tientsin public offices are practically haunted by jobless young men day and night. Considering the fact that the scourge of unemployment is rapidly spreading not only among the laboring class but also among the educated, and bearing in mind the pathetic circumstances involved in making an honest living in China, is it any wonder that hundreds of laborers and students are turning toward Communism for comfort and relief?

Another cause for the acuteness of under-employment in China is the decline of a number of handicraft and auxiliary industries, which hitherto have been important sources of support for the rural population. Some examples of these industries are silk weaving, the making of domestic articles like candles, shoes, soap, matches, etc. Tea, which has been a valuable source of revenue to the farming families for many years, is no longer a very important item in China's export trade. The farmers used to weave what they wear and wear what they weave, but this is no longer the general practice. Thousands of people in the small towns and rural districts are made jobless by the invasion of cheaper and even better foreign cloth. Between 1929 and 1930, over 90 per cent of the silk weaving houses in Nanking had to close, affecting the livelihood of no less than 40,000 workers. In the various silk weaving centers in Kiangsu and Chekiang, a total number of about 500,000 workers have been affected by the decline in the demand for

native silk, which was once a very prominent article of commerce between the lower Yangtze river provinces and North China. The change of style in hair-dressing among women in the West has almost ruined the entire hair-net industry in Shantung, although in recent months it is showing signs of revival. Communist agitations and heavy taxation are rapidly disrupting the porcelain industry in Kiangsi. And due to disturbed political conditions in China modern industries have not grown speedily enough to absorb those who have been rendered jobless by the closing down of the small-scale or handicraft industries.

Exorbitant taxation is another cause of trade depression and under-employment in China. In the country districts, land taxes are sometimes levied several times a year and many years in advance. During General Chang Tsung-chang's regime in Shantung, land tax was sometimes collected three times a year, and in Szechuan today some of the militarists have collected land tax over thirty years in advance. Thus the farmers are forced to plant opium which gives them a higher profit than staple products can. In some provinces, indeed, a peculiar method has been adopted by the militarists to induce the farmers to cultivate opium. A "fine" is levied on opium plantations as well as on "white land," but the amount levied on "white land" is deliberately made heavier than the fine on poppy land. Taxes and assessments have greatly increased in recent years not only in size but also in kind. In addition to the main national taxes such as customs duty, salt tax, tobacco and wine tax, petroleum tax, parcel post tax, trade mark registration tax and fishery tax, there are a number of provincial and local taxes, assessments and contributions. The number of taxes in each province ranges from a minimum of 30 to a maximum of 80 kinds, most of which are unauthorized and imposed on the people by irresponsible militarists.<sup>9</sup> Under these circumstances, is it any wonder that thousands of farmers have given up their normal occupations and joined hands with the lawless elements?

#### *Conditions for Solving Under-employment*

Numerous ingenious suggestions are being made to solve the questions of unemployment and under-employment in China, among

---

<sup>9</sup>Liu Bing-lin: "A Study of Taxation Systems in China," *Quarterly Journal of Economics*, Vol. I, No. 3, October, 1930.



which the most commonly discussed are the improvement of native industries, the promotion of large scale industries, the colonization of the frontier provinces, the promotion of vocational and industrial education, the institution of a protective tariff, the establishment of employment exchanges, the abrogation of unequal treaties and the development of mines, irrigation and transportation facilities. While it is beyond the scope of this chapter to examine the merits and practicality of the various relief measures, it is perhaps not impertinent to emphasize here that before any of these methods can be effectively applied in China, she must first of all attain some semblance of political stability and unification and, secondly, institute some form of control over the growth and distribution of her population.

It is an open secret that the most important cause of the present economic depression in China is political instability, which makes it impossible for her people to conduct their normal industrial and commercial activities and thus to improve the employment situation. Without peace and national unification, all other remedies for solving the problems of unemployment and under-employment in China can hardly be carried out, and if carried out will not reap any permanent results. But if once China makes up her mind to stop all her internal quarrels, then the way is paved for the application of various measures of relief.

Again, the Chinese people have long been suffering from an over-supply of labor. As long as this condition exists, they can hardly obtain any measurable improvement in their standard of living. Rightly has Dr. J. B. Condliffe remarked: "The factors of over-population constitute China's greatest, most fundamental and most pressing difficulty, and stand in the way of all schemes for the betterment of her economic life. No conceivable volume of emigration either to other lands, or to less thickly settled regions within China itself, can cope with an annual increase that may run into millions. Nor does the experience of other lands enable much hope to be placed upon industrial progress drawing a sufficient volume of rural workers into profitable urban occupations. The problem is too vast for any remedial measures short of restrictions on numerical increase to give appreciable relief even temporarily. Little real economic progress will be possible for the mass of the Chinese people unless the cumulative pres-

sure of increasing numbers upon limited resources can in some way be checked."<sup>10</sup>

In order to do away with over-production, then, there should be an immediate movement to promote the application of proper birth control methods among the Chinese people. The need for family limitation is especially noticeable and urgent among the working and rural population, as most of them are unable to bring up their children properly and are invariably dragged down to an extremely low standard of living. Indeed, nowhere else on earth is human life as cheap as it is in the interior regions of China. In many places children are sold at a few dollars per head and are sometimes given away freely.<sup>11</sup> Better it is to curb these population increases by the use of medical intelligence than to bring them into a world of starvation, disease and suffering. The intellectual and wealthy classes in China are already learning modern methods of birth control, and in many places are practicing them. Time it is that such information as may be effectively applied be also widely disseminated among the poorer people, and inexpensive materials for contraception be made available to the working families. As long as there is no planned control over the growth and distribution of population in China, the benefits of all other measures of unemployment and under-employment relief will be only of temporary value, and her people will always be haunted by the scourge of poverty and misery.

---

<sup>10</sup>J. B. Condliffe: *China Today: Economic*, World Peace Foundation, Boston, 1932, p. 17.

<sup>11</sup>According to an article entitled "The Plight of the Shensi Peasantry," in the *People's Tribune*, Shanghai, January 16, 1932, in the winter of 1929-1930 alone over 10,000 females were sold by Shensi to other parts of China at \$2 to \$25 per head.

## CHAPTER XI

### INDUSTRIAL WELFARE IN CHINA

#### *Introduction of Welfare Work into China*

While philanthropic organizations have existed in China for many centuries, welfare work amongst the industrial population is merely a recent development. The advent of the factory system in China has brought with it the same train of evils and abuses that have accompanied the industrial progress of the West. Long hours, dangerous machinery, unsanitary working conditions, child labor and other problems of industrial welfare have lately become important social issues in this country. Public sentiment, coupled with the repeated agitations on the part of the labor unions, have made Chinese employers realise the usefulness and necessity of adopting modern welfare programs. Thanks to the agitations of various social welfare and religious organizations during the last ten years, the government authorities in different parts of China have also taken an increasing interest in industrial welfare work and have adopted a number of measures for carrying out experiments in this field. In the Ministry of Industry of the National Government as well as in the Bureaus of Social Affairs of not a few municipal governments, a special section has been set up within the last few years to promote and supervise welfare work amongst the laboring people, and in spite of political disturbances remarkable progress by these newly-organized offices has already been achieved.

The question of workers' welfare was especially emphasized at the National Industrial Conference held under the auspices of the Ministry of Commerce, Industry and Labor (now called Ministry of Industry) in November, 1930. An important resolution pertaining to the relationships between capital and labor was adopted, whereby the employers were urged to carry out the following welfare programs:—

1. Factories shall to the best of their ability promote workers' education in accordance with plans drawn up by the Ministry;
2. Factories shall to the best of their ability install safety and sanitary facilities in accordance with the nature of the industry and working conditions;

3. Factories shall within their means promote workers' insurance, savings societies and co-operatives;
4. Factories shall conduct meetings during regular holidays to promote the physical, mental and moral well-being of the workers;
5. Factories shall within their means establish dormitories for their workers, and appoint capable superintendents for the same;
6. Factories shall encourage laborers by granting them a bonus or reward in the form of shares, so that the latter will gradually become owners of their factories. In case new shares are issued, the workers shall be given preferential right of buying them;
7. Factories shall abolish the "labor-contractor system;"
8. Factories shall pay special attention to workers' family conditions and the living conditions in their locality.

#### *Welfare Provisions of Factory Law*

In the Factory Law promulgated by the National Government of China in December, 1929, there is a special chapter governing laborers' welfare, in addition to the chapters which require the employers to make certain minimum provisions for safety, sanitation, compensation and pensions. The five articles which have particular bearings upon workers' welfare are as follows:—

1. All factories shall provide supplementary education for child laborers and apprentices, and shall be responsible for all the expenses incurred thereof. Such supplementary education shall not be less than ten hours a week. For other laborers who have no opportunity for education, the factories shall also establish within their means educational facilities. The time for conducting the above-mentioned education shall be arranged outside of the working hours;
2. Female laborers shall be given leave amounting altogether to eight weeks before and after child-birth, with full pay if they have worked in the factory for over six months, and with half pay if they have worked in the factory for less than six months.
3. Factories shall to the best of their ability assist the laborers in establishing workers' savings and co-operative societies, etc;
4. Factories shall to the best of their ability promote proper amusements for their laborers;
5. At the end of each fiscal year, after due appropriations have been made for dividends and reserve funds, the factory shall give those

laborers who have no demerits during the year, either a bonus or a share of the remaining profits.

It is true that not all of the programs recommended by the National Industrial Conference or by the Factory Law are now carried out; but the fact that these welfare provisions have already been incorporated into China's labor legislation is sufficient indication that her people are giving ever increasing emphasis to workers' welfare. Indeed, due to the pressure of public opinion, many employers and factories in the large industrial centers are voluntarily trying to conform with the standards set up by the Factory Law, thus paving the way for its fulfillment. However, no improvement in labor conditions on any large scale can be expected unless there is a general betterment in the political and economic situation in China, and unless an efficient system of factory inspection is assiduously built up to see that all the welfare provisions required by law are strictly adhered to by all the parties concerned.

### *Existing Welfare Programs*

At the same time, the voluntary efforts made by various employers and labor unions in this direction are worth mentioning. While it is impossible to discuss here in detail all of the experiments and activities that are conducted by the employers and the labor unions, an enumeration and classification of those which have developed in recent years will indicate the great extent and degree of variety of the existing welfare programs:—

1. Physical
  - a. factory clinics
  - b. nurseries
  - c. bath-houses and washing facilities
  - d. special shelters for wharf coolies and ricksha coolies, housing facilities, such as dormitories, "model villages" and workers' tenements
  - e. safety campaigns
2. Educational
  - a. evening classes for workers
  - b. day school for workers' children

- c. literacy campaigns
  - d. popular education classes
  - e. reading rooms
  - f. Sunday or week-end lectures
3. Recreational
- a. athletic activities and games
  - b. dramatic clubs
  - c. music clubs
  - d. club rooms with facilities for chess, ping-pong and other indoor games
  - e. motion picture entertainments
4. Economic
- a. employees' savings schemes
  - b. co-operative stores
  - c. rice allowance
  - d. maternity benefit
  - e. monthly or yearly bonus
  - f. accident allowance
  - g. funeral allowance
  - h. pensions
5. Moral and religious
- a. Sunday service or meeting for workers
  - b. Bible classes
  - c. religious meetings and lectures
  - d. thrift and savings campaigns
  - e. various societies or clubs formed for promoting the workers' moral and spiritual standards

Most of the labor unions in China also carry on some form of welfare work or other. The Kwangtung Mechanics' Union, for instance, has a very commendable welfare program and in its reading room is found one of the best collections of trade papers in China. The B.A.T. Labor Union, the former Commercial Press Employees' Union, the Chinese Seamen's Union, and many other labor organizations have established schools for their members with good-sized attendances. The labor unions, however, are confronted with problems similar to those

experienced by the trade unions in the Western countries during the early days of the labor movement. In short, they are the lack of trained and experienced leaders, steady financial support and stability in their work. Many of the unions live in frequent danger of suppression or reorganization by the authorities, and a change in personnel invariably necessitates the closing up of the union's activities. Moreover, the labor unions have been handicapped in their welfare programs by the political ambitions and connections of many of their own officers. It is to be hoped that in the future a greater emphasis will be put on the development of concrete projects that will directly benefit the workers rather than on theoretical and empty dreams.

### *Some Successful Experiments*

One of the most extensive programs in industrial welfare conducted by employers is that of the Kailan Mining Administration in Tongshan and its related mining districts. The Administration has built more than 2,700 houses for its laborers, and 900 residences for its clerical and technical staff, all of which are supplied with pure water and electric light. A co-operative store is established at each mine, where foodstuffs and other personal necessities can be obtained at very reasonable prices. A number of bath-houses are also erected for the laborers, who can utilize this service at a very nominal charge. Commodious hospitals with well-trained foreign and Chinese doctors are set up at each mine, and at Tongshan is located the base hospital with 130 beds, equipped with "every device which modern science has contrived to help operate surgery." To encourage savings among its employees the Administration has organized a Provident and Gratuity Fund and a Savings Bank. According to this plan, a member subscribes 5 per cent of his pay, which accumulates at 6 per cent compound interest, and upon his retirement, the employee receives, in addition to his own contribution, a like amount from the Administration. A number of primary schools and one or two middle schools are also conducted for the benefit of the laborers' children, which at present have a total enrollment of 2,500 students.

A very unusual piece of welfare work that is being carried on by the Kailan Mining Administration is the hospice, established in 1923 with the co-operation of the Roman Catholic missionaries in Tong-

shan. This interesting institution provides a permanent home for the aged or maimed, and a training school for the partially disabled. It occupies 13 acres of land, where the blind, the disabled and the orphans are taught such trades as stock raising, shoe and harness making, wicker work, dyeing, carpet making, and market gardening. At present the hospice contains over 300 inmates, and already more than 400 persons have come out of it, having learned various trades to earn their living for the rest of their lives.<sup>1</sup>

One of the earliest attempts in industrial welfare work in China was made by the Christian missionaries in their organization of "mission industries" shortly after the outbreak of the World War. These industries were originally devised to substitute free dispensing of charity by work with wages for those who were affected by famines and floods. No sooner had these "mission industries" been launched than they were discovered to be excellent opportunities for carrying out a missionary program and for applying the Christian laws of sociology and economics. By 1923 those who were interested in this phase of missionary work met together in a special conference and organized a National Christian Industries Association, the purpose of which "is the linking together of these scattered industries, consideration of mutual problems and promoting the welfare of Christian industrial enterprises in China."<sup>2</sup> Members of this Association were asked to report every year what progress they had made towards the attainment of ideal conditions of labor as agreed upon in the following terms:—

1. Working day: Eight hours a day, six for fine work involving eye strain;
2. Shop conditions: Lighting, heating, ventilation, seating, working apparatus and sanitation;
3. Wages: "That the Association recognize its duty to pay a living wage and to find what is a living wage."<sup>3</sup>

---

<sup>1</sup>Kailan Mining Administration: *The Kailan Mining Administration and Its Employees*, Tientsin.

<sup>2</sup>Helen Davis Chandler: "Mission Industries," *China Mission Year Book 1925*, p. 356.

<sup>3</sup>Lily K. Haass: "Christian Industrial Enterprises," *China Mission Year Book 1924*, p. 397.



For a number of years these "mission industries" (which included embroidery, cross-stitching and knitting work, making of toys, children's clothing, rugs, leather work, tapestries and basketry) flourished and were looked upon as model factories by the more enlightened of the employers. The number of workers engaged at each place varies from 10 to over 200. The number of working hours was usually eight per day, which was an admirably decent standard considering the period in which these industries were conducted. A number of welfare activities such as mothers' clubs, free clinics, Bible classes and scholarships were also started for the benefit of the workers. Although most of these industries had to suspend operations on account of the Nationalist Revolution between 1926-1928, they had more or less demonstrated that industries could be run according to Christian principles, and had, in a small measure, stimulated the movement for the humanization of industry in China.

Another form of welfare work amongst the industrial workers is "community work" as typified by the Yangtzepoo Social Center, the Y. M. C. A. Social Center and the Y. W. C. A. Industrial Center in Shanghai. The first named institution was founded by Professor D. H. Kulp of Shanghai College in 1917 to promote education and to improve the conditions amongst the workers in the Yangtzepoo cotton mills. In a report given out in 1929, the Yangtzepoo Social Center states that it has "educated 1,319 students in our morning, day and night schools during the last year; recommended 64 persons to different factories; published our first book on *Workmen's English Conversation*; graduated 140 students from our day school during the last ten years." In addition, the report says that "3,560 boys and girls attended our Sunday school and the Daily Vacation Bible School, 6,420 men workers have received some kind of education from our night and continuation schools during the last ten years, and 540 women workers have attended our popular education classes during the last three years."

A second example of community work is the Shanghai Y. M. C. A. Social Center in the Western district of the International Settlement, which was started "to promote workers' health and education, and to help remove the causes of suffering and industrial unrest." Within the area of experimentation, there is an estimated population of 210,000, about one-fifth of which are factory workers. Realizing that

the system of education as it is generally practiced in China has become unfit and meaningless to the workers, the Y. M. C. A. Social Center has been endeavoring to secure the co-operation of the working people and to promote workers' education on a new basis. The Center has directed its efforts at the following objectives:—

1. To help workers understand their own environment, physical and social;
2. To vitalize education by bringing it into intimate bearings upon the workers' life problems; and
3. To help build up a new leadership for the labor movement in China.

Besides the educational programs, the Y. M. C. A. Social Center has organized a clinic for improving workers' health and, particularly, for disseminating birth control information and for experimenting in contraceptive methods among the working women. A detailed investigation of more than fifty working families was made in 1930, which included such items as family history, finances, sex life, birth and death rates, miscarriages and abortions, past and present complaints. It was found that the majority of these families desired and liked to have children, but that most of them have experienced unspeakable physical and financial sufferings in the rearing of children, and were therefore most receptive to contraceptive information. Unfortunately, this piece of pioneering work in family limitation met with an unexpected, though perhaps temporary, break down as a result of the Japanese invasion of Shanghai in the early months of 1932.<sup>4</sup>

In the same district with the Y. M. C. A. Social Center is found an Industrial Center conducted by the Shanghai Y. W. C. A. to promote the welfare of the women workers in the surrounding cotton mills and silk filatures. The activities of the Y. W. C. A. Industrial Center include the cultivation of contacts with working women, popular education classes, club work, library service, health education, medical advice, recreation and a small hostel for working girls. The hostel is perhaps the first attempt that has ever been made by private organizations in China to solve the housing problem of the homeless working

---

<sup>4</sup>A birth control clinic, perhaps the only one in China, is being successfully conducted in Peiping under the guidance of a group of prominent sociologists and medical experts in that city.

women. While it is true that these experiments in community work constitute a mere drop in the sea of wretchedness, they perhaps point out the direction in which the workers themselves should strive in improving their social and economic status.

A very useful form of welfare work which has been tried with considerable success during the last few years is the development of housing facilities for workers. In the Kailan Mining Administration mines at Tongshan may be found one of the largest housing projects ever undertaken by any employer or group of employers in China. The Japanese also have built a number of housing projects in the various enterprises they own in China, such as the houses for wharf coolies of the South Manchuria Railway in Dairen, the dormitories for Chinese miners in Fushun and the tenement houses for Chinese workers in the Japanese cotton mills in Shanghai. In the majority of cases the workers are asked by the company concerned to pay a small rental each month. Prevailing conditions in these housing enterprises leave much to be desired; sanitary conditions are especially in need of improvement.

A very interesting housing experiment in China today is the Y. M. C. A. Model Village in Pootung, an industrial district opposite Shanghai. With the support of the surrounding factories, the Shanghai Y. M. C. A. has built twenty-four sanitary but inexpensive houses of a special design for rent to the workers in Pootung at only \$3 to \$4 per month. Each house consists of a small sitting-room, a bed-room, a kitchen and a toilet room. Thus the occupants are relieved from the congestion, diseases and other evils that invariably accompany the slum districts. Residents in the Pootung Model Village are limited to those whose earnings do not exceed \$40 per month. A set of regulations is also being enforced in order to develop a clean, healthful and harmonious community life in the Village. Although it was started only in 1926, it has already aroused considerable public interest and has inspired similar efforts on the part of not a few municipal governments in China. As a result of this housing experiment, the Municipal Government of Greater Shanghai has now completed two "villages for poor people," and is planning six more for the municipal area of Greater Shanghai.

Various savings schemes have become widely used by the employers in China in recent years. These schemes vary only in details

and are adopted almost in all cases by the larger manufacturing firms or government enterprises such as the Chinese postal service, the Commercial Press and the British-American Tobacco Company. According to the British-American Tobacco Company savings plan, if or as soon as an employee has completed six months' service the Company will during a period of the ensuing five years voluntarily set aside at the end of each calendar month out of its own monies, an amount equal to 5 per cent of the earnings of the employee during that month. At the end of five years from the date of the opening of such Savings Account for the employee, the Company will add to the amount standing to the credit of such employee a sum equal to that amount. The total sum standing to the employee's credit may be withdrawn under the following conditions: 1. when the employee leaves the Company of his own accord or is discharged for reasons other than criminal offense, dishonesty and wilful disobedience; 2. when the employee dies or becomes disabled; 3. when the Company, before the expiration of the first five years period, discharges the employee through no fault on the part of the employee, the Company will pay to the employee the amount standing to his credit, plus an equal sum to be contributed by the Company; 4. the employee may withdraw any portion of the savings from his Savings Account at the end of the first five years of service with the Company.<sup>6</sup>

One of the serious problems confronting the working people in China is their frequent demand for money to finance small businesses, to support their families during illness or to meet heavy expenditures for such occasions as weddings and funerals. Because of insufficient wages, the workers are often forced to pawn their personal belongings or borrow money at exorbitant rates of interest. In order to mitigate this form of exploitation the government authorities in various parts of the country have within the past few years adopted the following measures to help the workers: 1. restriction of interest rates; 2. legal control of the activities of the pawn shops; and 3. establishment of a loan service for the poor. Interest rates in China are extraordinarily high, 2 per cent per month being quite usual and 3 to 4 per

---

<sup>6</sup>Early in 1932 the Ministry of Industry of the National Government promulgated a set of regulations to institute workers' savings in accordance with Article 38 of the Factory Law. Under these regulations, the factory and the worker are each to put 5 per cent of the workers' wage into a savings account, which would be used as a source of support to the worker in times of unemployment, disability or illness.

cent being not uncommon. In 1928, the Central Political Council adopted a resolution to prohibit the charging of interest rates beyond 20 per cent per year, and those who violate this ruling would be subject to criminal punishment. In 1930 the Bureau of Social Affairs of the Municipality of Greater Shanghai started a loan service for the poor. Loans below \$20 can be obtained from the Bureau or its branch offices at an annual interest rate of only 1 per cent, and the whole loan may be made payable in twenty installments. Since its inauguration the loan service has proved to be more successful than it was expected, and so it has been copied by several other cities in China.

There has also appeared an increasing interest in the health problems of the workers in the last few years. In order to stimulate interest in workers' health, the Ministry of Commerce, Industry and Labor inaugurated an industrial health exhibition in Nanking in July, 1929. In co-operation with the health authorities of the National Government the Ministry has also formed a workers' health commission, and under its auspices considerable educational literature along this line has been produced and an experimental station in workers' health has been started in Wusih, Kiangsu province. In Shanghai a hospital for workers has been established in the Western district by the local Kuomintang leaders. Similar efforts are being made by the authorities in other industrial centers like Tientsin, Hankow and Canton.

### *Limitations of Welfare Work*

Industrial welfare work in China is still in an infant stage, and whatever efforts have been made so far are really infinitesimal when compared with the gigantic needs and sufferings of the working people today. A tremendous amount of work remains to be done if conditions in Chinese industries are to be brought to humane standards, and Chinese workers are to be treated more like human beings than beasts of burden. A number of problems remain untouched, and the responsibility for finding their solutions is of such a nature that only the Government authorities can shoulder it. The problems of workers' education, child and female labor, factory hygiene and safety, housing facilities and the like have been tackled only superficially, and will not

obtain any successful or permanent solutions unless the initiative and fullest co-operation of the Government authorities are assured.

At the same time it may be noted that much of what has been done in industrial welfare by the employers has been carried out largely without any initiative or co-operation from the workers. The result is that in many cases, the intentions of the employers and their welfare programs have met with little appreciation, and sometimes have been misunderstood. To achieve more satisfactory results than what have been procured hitherto, the workers should be given a greater share in the planning and execution of welfare activities. An over-dose of paternalism will meet with nothing but resentment from the workers. Employers should also be brought to understand that better welfare provisions will, in the long run, reap profits to them in the way of greater efficiency and less discontent among the workers.

Welfare work, of course, does not and cannot solve everything for the employers. Without any great improvement in the basic relationships between the employers and employees, welfare efforts will be largely futile. What industry needs today is humanized conditions and a basic change in the outlook towards labor. B. S. Rowntree, a well-known British manufacturer, declared that at least five conditions must be secured for the workers in order to maintain industrial peace. They are: 1. earnings sufficient to maintain a reasonable standard of comfort; 2. reasonable hours of work and good working conditions; 3. reasonable economic security during the whole working life and in old age; 4. a status suitable to men in a free country in the twentieth century; and 5. a share in the financial prosperity of the industry in which they are engaged.<sup>6</sup> Chinese who are worried over the prospects of industrial development in this country and who are interested in industrial welfare may well think over Rowntree's five points.

---

<sup>6</sup>B. S. Rowntree: *The Human Factor in Business*, p. X.

## CHAPTER XII

### CHINA'S RELATIONS WITH THE INTERNATIONAL LABOR ORGANIZATION

#### *History and Functions*

The International Labor Organization, a constituent institution of the League of Nations, was created by virtue of the Treaty of Versailles at the close of the World War. The purpose of the Organization was stated as follows: "To improve conditions of labor by carrying out impartial investigations into existing conditions in different countries, by bringing them to the notice of the public, by seeking measures to remedy suffering and injustice and to make the position of the worker accord more closely with his standing as a human being, and finally by embodying these measures in a system of international legislation." In founding this Organization which now has fifty-eight Member States, the High Contracting Parties to the Peace Treaty laid down the following working principles:—

1. The guiding principle that labor should not be regarded merely as a commodity or article of commerce;
2. The right of association for all lawful purposes by the employed as well as the employers;
3. The payment to the employed of a wage adequate to maintain a reasonable standard of life as this is understood in their time and country;
4. The adoption of an eight hour day or a forty-eight hour week as the standard to be aimed at where it has not already been attained;
5. The adoption of a weekly rest of at least twenty-four hours, which should include Sunday wherever practicable;
6. The abolition of child labor and the imposition of such limitations on the labor of young persons as shall permit the continuation of their education and assure their proper physical development;
7. The principle that men and women should receive equal remuneration for work of equal value;
8. The standard set by law in each country with respect to the conditions of labor should have due regard to the equitable economic treatment of all workers lawfully resident therein;

9. Each State should make provision for a system of inspection, in which women should take part in order to ensure the enforcement of the laws and regulations for the protection of the employed.<sup>1</sup>

The Organization functions through the International Labor Conference, a Governing Body and a permanent Office in Geneva. The aim of the International Labor Conference, which meets at least once a year, is to bring the Governments, the employers and the workers of all nations into agreement on minimum labor standards. It is composed of four delegates from each Member State, two of whom represent the Government of the State concerned while the other two represent respectively the employers and the workers, and are appointed by their Government in agreement with the most representative organizations of employers and workers. Each delegate may bring with him two technical advisers for each item on the agenda of the Conference, and these advisers may, whenever necessary, be authorized to act as deputies for the delegates.

Proposals adopted by the International Labor Conference may take the form of Draft Conventions or of Recommendations; the Conference may also pass resolutions bearing on the work of the Organization. A Draft Convention is a proposed treaty. The Government of each Member State must submit it, within a prescribed time-limit, to its Parliament or other proper authority for deciding whether or not it can be accepted and applied within its country. A State may formally ratify a Draft Convention, in which case it virtually becomes a party to a treaty with any other State that has ratified the same and is, therefore, under an obligation to see that its own law and practice are brought up to the standards demanded by the Convention. It must also report every year on the steps taken to give effect to the Convention ratified. A recommendation must also be brought before the proper authority of each country, but no machinery is brought into play for its ratification and enforcement.

The Governing Body controls the International Labor Office, appoints its Director, determines its budget, compiles the agenda of the Conference, and exercises certain duties in connection with the

---

<sup>1</sup>From *International Labor Organization*, published by the International Labor Office, Geneva.



enforcement of Conventions. It meets as a rule four times a year, and has a membership of thirty-two persons.

The International Labor Office, located in Geneva, serves as the permanent secretariat of the International Labor Organization. It has a staff of more than 400 persons, and is organized into four Divisions: Diplomatic, Research, Administration, Intelligence and Liaison.

### *China's Participation*

Since its inauguration in 1919, the International Labor Conference has altogether held seventeen sessions. But it was not until the twelfth session of the Conference in May, 1929, that China began to show an active interest in it by sending a complete delegation in conformity with the requirements of the Peace Treaty. In the earlier sessions, China merely sent diplomatic officials who happened to be in Europe at various times.

However, as early as in the very first session of the International Labor Conference held in Washintgon, D. C., special consideration was given to labor conditions in China by the Commission on Special Countries, which recommended the adoption by China of the principle of factory legislation and the principle of a ten-hour day or a sixty-hour week for adult workers, and an eight-hour day or a forty-eight-hour week for child workers under fifteen years of age. In this respect, the Chinese Minister at London informed the International Labor Office by a communication of April 21, 1920, that the Chinese Government was in agreement with the above recommendation. In June, 1923, the Chinese Minister at Berne informed the International Labor Office that the then Ministry of Agriculture and Commerce at Peking had promulgated in March of the same year the Provisional Factory Regulations. Unfortunately, these Regulations were never carried out.

It will be interesting to review here the part that China has played in the various sessions of the International Labor Conference. At the tenth session of the Conference, Mr. Chu Hsao-hsing, Chinese Government delegate, urged the abolition of unequal treaties as a step towards the betterment of labor conditions in China, and also suggested to the International Labor Organization to institute a permanent Correspondent Office in China. Mr. Chu's wishes, however, were not carried out at that time.

At the twelfth session of the Conference, the Chinese Government sent a complete delegation for the first time. China's desire for the abolition of extraterritoriality as a preliminary to the successful application of labor laws was again brought before the Powers represented at the Conference. A draft resolution calling for the application of China's labor laws to nationals of certain countries which still enjoy the right of extraterritorial jurisdiction or similar privileges was submitted by Mr. M. T. Tchou, Chinese Government delegate. The resolution formed the object of a lengthy debate in the Conference sub-committee, and was strongly opposed by the Government delegates from Great Britain, France and Japan. In spite of the fact that the workers' delegates were completely in favor of this resolution, it was not adopted by the Conference owing to the lack of a quorum. Two other draft resolutions submitted by the Chinese delegates were adopted: one concerning equality of treatment between national workers and colored foreign workers, and the other concerning the recruiting of bodies of workers in one country with a view to their employment in another. The Governing Body was asked to take appropriate action with regard to these resolutions.

At the thirteenth session of the Conference held in October, 1929, Mr. Woo Kai-seng, Chinese Government delegate, submitted a draft resolution relating to the extraterritorial privileges enjoyed by foreign ship-owners in Chinese waters. A second draft resolution submitted by Mr. K. P. Chen, Chinese employers' delegate, proposed that in order to ameliorate the treatment of Chinese seamen, States enjoying rights of navigation in Chinese waters should be urged to readjust those conditions which prevent the development of Chinese navigation. The Conference sub-committee considered itself unable to recommend the adoption of either of these resolutions, which were suspected as political in character. Mr. Chen preferred to withdraw his resolution as he was not prepared to accept any amendment to the text he had proposed. The first resolution was amended to the satisfaction of all parties at the Conference, and was finally adopted.

A draft resolution concerning the conditions of life and labor of seamen in Asiatic countries, submitted by Mr. Liang Teh-kung, Chinese workers' delegate, and Mr. Daud, Indian workers' delegate, was adopted at the same session. The resolution asked that the International Labor Office should pay special attention to the study of this

problem, particularly with regard to Asiatic seamen employed outside their own country or on board foreign vessels. It also urged that this question should be placed on the agenda of a future session of the Conference. A draft resolution concerning the right of association of foreign seamen was submitted by Mr. Liang Teh-kung, but was not adopted due to the lack of the necessary quorum.

At the fourteenth session of the Conference held in June, 1930, the Chinese Government delegate, Mr. M. T. Tchou, was elected as one of the vice-presidents for the Conference. Addressing the Conference on June 20, Mr. Tchou dwelt upon the increasing co-operation between the Chinese Government and the International Labor Organization. Full delegations had been sent to three successive sessions of the Conference. Besides the Convention relating to the prohibition of white phosphorus in the making of matches, the Minimum Wage Convention had recently been ratified by China. Mr. Tchou also expressed the Chinese Government's desire to be represented on the Governing Body of the International Labor Office, and urged the enforcement of the amendment to Article 393 of the Peace Treaty in increasing the membership of the Governing Body from twenty-four to thirty-two. At the election which took place at the Conference, however, China failed to obtain a seat in the Governing Body by a small margin of three votes.

At the fifteenth session of the International Labor Conference, 1931, China was represented by Mr. Chiang Li-fu, charge d'affaires in Italy, Mr. M. T. Tchou, Mr. Yang Yu-jen, workers' delegate and a member of the Commercial Press Employees' Union. At this Conference the Chinese workers' delegate took the opportunity of lodging a strong protest against the prohibition of labor unions by foreign factories in China, although he stated that freedom of association was allowed all over the country.

Owing to the Sino-Japanese conflict in Shanghai, 1932, the Chinese Government was compelled to pursue a policy of financial retrenchment and therefore did not send any delegation to participate in the sixteenth session of the International Labor Conference. However, in its seventeenth session this year, the Chinese Government again took an active interest and sent to it a complete delegation composed of the following persons: Mr. Hsiao Chi-yung and Mr. Hsieh Tung-

fah, Government delegates, Mr. Yen Chin-hsiang, employers' delegate, and Mr. Lee Yung-hsiang, workers' delegate.

### *Influence of I.L.O. in China*

The visit of Mr. Albert Thomas, former director of the International Labor Office, in the winter of 1928 was especially fruitful in laying the foundations of collaboration between China and the Geneva organization. While the purpose of his visit was not to make any exhaustive study of labor conditions in China, he had an adequate opportunity to confer with the leaders of the Chinese Government about various questions of labor administration and legislation, and he recommended that China should soon adopt and enforce certain Conventions relating to child workers and women workers at night. Of considerable significance was a statement he made in a mass meeting at Shanghai to the following effect: "I have found that the hardships of Chinese laborers are due to the oppression caused by the unequal treaties; therefore in order that the position of Chinese laborers might be elevated the unequal treaties with foreign countries must first be abolished."<sup>2</sup> Besides, Mr. Thomas promised that he would help secure the application of the Chinese labor laws in the foreign concessions and leased territories, and would give the collaboration promised China at the Washington session of the International Labor Conference. As a further measure of promoting close relations with the Chinese Government and of collecting first-hand information relating to labor conditions in China, the International Labor Office opened a Correspondent Office in Nanking in July, 1930.

While the official attitude of the Chinese Government is obviously in favor of working hand in hand with the International Labor Organization and in this way bring about better and more uniform labor standards among the Member States, the rank and file of the labor movement in China know little about the work and ideals of the Organization. The few labor leaders who have developed genuine interest in the International Labor Organization or who have attended the Conferences at Geneva have been severely criticized by the radical elements of the labor movement. Therefore, it is imperative that ways and means should be found to immediately give Chinese labor unions

---

<sup>2</sup>From *North China Daily News*, Shanghai, December 5, 1928.

a better understanding of the functions of the International Labor Organization, and to bring about more effective co-operation with the Chinese Government in translating the ideals of the Organization into concrete programs for application in China.

### *Problems of Collaboration*

A few problems of collaboration may be noted here. In the first place, the Chinese delegates who have participated in the International Labor Conferences have often been disappointed with the results they have obtained at Geneva. Several of the important resolutions proposed by the Chinese delegations in recent sessions of the Conference have not been adopted. They were labelled political in character. Again, the defeat of a resolution concerning the right of association of foreign seamen submitted at the thirteenth session of the Conference has been regarded by many Chinese labor leaders as a matter of more than ordinary significance. For a review of the labor situation in South China will reveal that ever since the Hongkong authorities sealed up (for the second time) the branch office of the Chinese Seamen's Union in June, 1927, no Chinese labor organization of a radical inclination has been tolerated in the island, and no labor union there is permitted to have any affiliations with labor organizations on the Asiatic mainland. Consequently, the Chinese Seamen's Union which now has its main office in Shanghai, is unable to restore its influence in Hongkong and is, therefore, anxious to obtain the backing of the International Labor Office in enforcing the right of association under an alien administration.<sup>3</sup>

Moreover, it may be recalled that in the Governing Body of the International Labor Office only a limited number of nations, chiefly the strong Powers, were given permanent seats. In order to attain closer collaboration between the International Labor Office and the Chinese Government, it will be helpful to have China permanently represented in the Governing Body and to secure men from China to participate in the work of the various departments of the Geneva office.

---

<sup>3</sup>See Chapter IV, "Study of Some Leading Labor Unions in China."

Finally, if the influence of the International Labor Organization is to be strengthened in the Orient and if the efforts of the Organization in promoting a system of international labor legislation are to be made effective, it should henceforth give fuller attention to Pacific problems and see to it that regional conferences and studies are systematically carried out. It is also imperative that other industrially-important nations such as Soviet Russia and the United States should soon find themselves in a position to co-operate more closely with the International Labor Organization, and eventually become its members. It will always be difficult to bring about uniform legislative standards of labor protection in the Pacific area, as long as these two Powers remain outside of the International Labor Organization, and thus give other members valid grounds for claiming special regional considerations.

## CHAPTER XIII

### WILL COMMUNISM CONQUER CHINA?

#### *Communism in Present-day China*

A factor that must not be overlooked in studying the economic and social conditions in China is the rapid growth of Communism since 1919. Within a little more than a decade the Communists have apparently elevated themselves from a plane of harmless Marxian theorists into that of a powerful political movement and, for good or for ill, they now command amongst the workers and the peasants an influence that is bound to produce far-reaching effects in the future of China. Since the split between the Kuomintang and the Communist Party in April, 1927, continuous attempts have been made by the National as well as the provincial authorities to exterminate the Red menace from the political arena; but despite these efforts the Soviets in South and Central China remain a vexed question today.

The reason behind this failure is not far to seek. Incessant civil strife, the break-up of the agricultural system, unemployment, increase of banditry, natural calamities and the lack of security in the peaceful pursuits of life—these and a host of other causes have made China a most fertile field for Communist propaganda and agitation. Those who have been holding the reins of government during the last few years have not done as much as they have promised to mend the ways of the former warlords and *tuchuns*, or to ameliorate the growing economic burdens of the masses. On the contrary, the situation in China has been very much aggravated by the fact that brutal force, and force alone, has been applied to eliminate the Communists from the political horizon. For not until the causes which have precipitated the rise of Communism are removed by efforts of economic reconstruction, can one hope for any measurable decline in its influence amongst the masses in China. A brief review of the Communist Party and its socio-economic policy, therefore, is both necessary and helpful to the finding of a just and lasting remedy for the complicated social disorders in this country.

*Early History*

The development of Communism in China may be conveniently divided into three periods: the period of secret organization 1919-1923; the period of open expansion and co-operation with the Kuomintang 1924-1927, and the period of terrorism since 1927.

During its early stage, Communism was largely a question of academic interest and crept into the minds of the student and intellectual class under the cloak of the literary renaissance and the new-thought movement. Leading Communist writers like Chen Tu-hsiu and Li Ta-chao, former professors of the Peking National University, launched at this time a number of radical magazines to propagate their doctrines, the most notable ones being the *Masses*, the *Pioneer*, the *Vanguard* and *La Jeunesse*.<sup>1</sup> A few schools were also opened for the deliberate object of promoting the Communist movement in China. The Shanghai University which had played an important role in the May 30th Incident, 1925, and the Franco-Chinese College in Chengtu were typical examples.

As early as January, 1919, Chinese workers in Moscow resolved that propagandists should be sent to their homeland.<sup>2</sup> In a message to Canton, they praised Dr. Sun Yat-sen's untiring struggle against the northern militarists and the foreign imperialists, and urged the Chinese proletariat to ally itself with the Russian. Further interest in Communism as a possible method of national salvation was aroused shortly after the signing of the Treaty of Versailles when M. Leo Karakhan, then assistant commissar for foreign affairs for Soviet Russia, addressed a most sympathetic manifesto to the Chinese in which he indirectly denounced the giving of Shantung to Japan and maintained that "all peoples should have their independence and self-government and not submit to being bound by other nations."<sup>3</sup>

Shortly after the Student Movement of 1919, a Society for the study of Marxism was formed by a group of intellectual leaders in

---

<sup>1</sup>Although *La Jeunesse* was started by Chen Tu-hsiu as early as September, 1916, it did not become a distinct organ for Communist propaganda until 1921, according to the *Independent Critic*, Peking, October 31, 1932.

<sup>2</sup>Morse and MacNair: *Far Eastern International Relations*, Houghton Mifflin Company, New York, p. 670.

<sup>3</sup>*Ibid.*



Peking, and a Young Socialist League (社會主義青年團) was organized by the radical elements in Shanghai under the alleged direction of a Soviet agent named Voitchinsky.<sup>4</sup> In September, 1920, a number of radicals met at Chen Tu-hsiu's residence in Shanghai and started preparations to organize the Chinese Communist Party. In 1922, it was formally inaugurated in Canton. All this time radical literature was widely distributed among the students in the main cities, and a spirit of revolt against the established order of things was systematically cultivated. The teachings of Confucius and Mencius were made objects of attack and ridicule. Students' unions became a fashionable feature of the day, and with their assistance labor unions were formed in many cities. A number of Chinese young men flocked to Moscow to investigate the Soviet system of government and its practices. At the Baku congress of Oriental nations held in September, 1920, Li Ta-chao, one of the founders of the Chinese Communist Party, reported on the agrarian and industrial situation in China, and claimed that the industrial proletariat in this country was already "violently revolutionary" in their tendencies. The congress adopted a resolution to create a council for Communistic propaganda and action in the Oriental countries.

That the labor movement in China definitely took on a more radical coloring after the Student Movement and the formation of the Chinese Communist Party, was fully described by Lee Lih-san (of the All-China Labor Federation) in his report to the Pan-Pacific Trade Union Conference held in Hankow in 1927: "The Chinese working class definitely began to participate in the national revolution and in the anti-imperialist struggle in 1919. This participation started with the so-called Fourth of May (1919) movement which was directed against the Japanese imperialists. At that time the leadership was still in the hands of the bourgeoisie which was in particularly close connection with the United States of America. The workers and students also took part in the movement. It should be noted, however, that the students were divided into two camps, representing two definite tendencies which may be characterised briefly as the American and Russian tendencies. Those students who came from the rich bourgeoisie represented the pro-American orientation, while those students who were closer to the proletariat and the exploited petty-bourgeoisie favored

---

<sup>4</sup>George Sokolsky: *The Tinder Box of Asia*, Doubleday Doran and Company, New York, p. 322.

a close alliance with Soviet Russia. As to the working class, we see in the Fourth of May movement the beginnings of definite and conscious participation in the anti-imperialist struggle. So, for example, the Peking and Tongshan railway workers, the Shanghai seamen and wharf coolies and other sections of the Chinese proletariat played no inconsiderable part in that struggle."

"We may say," added Lee Lih-san, "that after the May Fourth movement a new era of the Chinese revolution set in. The role of the proletariat in the Nationalist Revolution became more prominent; the working class became conscious of its strength and power. The trade unions of China also entered into a new phase of development after 1919. In different parts of the country the workers began to display an unprecedented activity."<sup>5</sup>

However, in spite of the fact that the Communists and their sympathizers had worked feverishly to stir up a revolutionary spirit and a class-struggle among the workers during this period, there was little likelihood of an immediate social revolution. Although Communist literature, translated chiefly from Japanese sources, had been distributed in large quantities and even the death of Lenin was commemorated in the large cities, the overwhelming majority of the proletariat were reluctant to risk their jobs for purely doctrinal reasons. Dr. Sun Yat-sen, too, was not in favor of an immediate adoption of Communism in China. On January 26, 1923, as a result of his conversations with M. Joffe, former Soviet ambassador to China, a joint statement was issued which specifically indicated the Kuomintang leader's attitude towards Communism. The statement declared *inter alia*: "Dr. Sun Yat-sen holds that the Communistic or even the Soviet system cannot actually be introduced in China, because there do not exist here the conditions for the successful establishment of either Communism or Sovietism. This view is entirely shared by M. Joffe, who is further of opinion that China's paramount and most pressing problem is to achieve national unification and attain national independence, and regarding this great task, he has assured Dr. Sun Yat-sen that China has the warmest sympathy of the Russian people and can count on the support of Russia."<sup>6</sup>

---

<sup>5</sup>Lee Lih-san: "Report on the Labor Movement in China," *Proceedings of the Pan-Pacific Trade Union Conference*, Hankow, 1927, p. 11.

<sup>6</sup>Morse and MacNair: *Far Eastern International Relations*, pp. 715-716.

Compared with the drastic practices of the Soviets in South and Central China today, the political program of the Communist Party during the first period (when it was dominated by Chen Tu-hsiu, now leader of the Trotskyist faction) was moderate indeed. Advocating the calling of a national congress for solving domestic issues, the Communists declared: "Our opinion is to hold a national congress, composed of delegates of the chambers of commerce, agricultural unions, workers' unions, students' unions and other professional unions of the whole nation in a suitable place. This congress should be called by the Kuomintang which has the historical mission of the National Revolution. The new government born out of this national congress with real revolutionary nationalist force will crush the power of the militarists and the foreign imperialists."<sup>7</sup>

#### *Period of Expansion*

With the re-organization of the Kuomintang in January, 1924, Communism acquired a more active tone. Armed with a legal status, the Communists launched a nation-wide scheme of unionization and through the influence of Michael Borodin, many of them were appointed to pivotal positions in the Nationalist Government and the Kuomintang machinery. By May 23, 1925, the Communists had reached the zenith of their power in South China, and as a result the Central Executive Committee of the Kuomintang passed a resolution to the effect that it could no longer cooperate with the Peking Government in the work of the reorganization of China and that the only government of the world with which the Kuomintang could work hand in hand was that of Soviet Russia, which was always in sympathy with the aspirations of the Chinese people.

During the second period, Red labor unions began to grow by leaps and bounds, particularly in Kwangtung province. It is true that as early as May, 1919, Dr. Sun Yat-sen himself had encouraged the formation of labor unions in China and had given an appropriation to the well-known Communist labor leader, Tan Ping-san, to conduct propaganda activities and to secure the support of the labor organizations in the Nationalist Revolution, but labor unions could not function freely and did not acquire any centralized leadership until the Com-

---

<sup>7</sup>*China Year Book, 1924, p. 660*

munists were admitted into the Kuomintang. The first, second, third and fourth national labor conferences were all convened during the period of open expansion. Radical elements of the Kwangtung Provincial Labor Federation (廣東總工會) withdrew from that organization and formed a Labor Representatives' Association (廣東工人代表聯合會) with a view to consolidating all labor unions in the South under the Red banner. No less than 270 labor unions became affiliated with the Labor Representatives' Association, while only one-fourth of that number remained as members of the Kwangtung Provincial Labor Federation.

Russian-trained labor organizers such as Lee Lih-san, former chairman of the All-China Labor Federation, and Hsiang Chung-fah, once secretary-general of the Central Executive Committee of the Chinese Communist Party, were sent to Shanghai, Hankow, Tientsin, Tongshan and other industrial centres to organize trade unions and "cells," and to stir up the workers to a sense of the country's wrongs. There was a marked increase in the number of political strikes, the most famous one being the Hongkong seamen's strike of 1925-1926. Borodin's work in Canton, though advisory in name, was heartily supported by a number of the Leftist members of the Kuomintang, the most notable person being Liao Chung-kai who was at that time head of the Labor Department of the Kuomintang Central Headquarters. On August 19, 1925, Liao was assassinated by anti-Communists and since then, the Red labor unions have not been able to regain their supremacy in Canton.

During the Northern Expedition (1926-1927) the Communists enjoyed a rapid growth in power and in number, and in Kiangsi and Hunan provinces they even succeeded in sovietizing a number of the rural districts. When the Nationalist Government moved from Canton to Wuhan, the Communists obtained a controlling position in it and were able to carry out a number of Communistic measures.

The most noteworthy event in the realm of labor during this period was the calling of the Pan-Pacific Trade Union Conference in Hankow in May, 1927, in which Communists from all the Pacific as well as some of the European countries were represented. The Conference adopted the following significant program for the improvement of labor conditions:—

1. Introduction of the eight-hour day;
2. Introduction of a regular continuous forty-two hour weekly rest;
3. Introduction of social insurance in case of illness, accident, incapacitation and unemployment, and the whole burden of such insurance to be borne by the employers and the government;
4. Prohibition of night work for women; eight weeks of paid vacation before and eight weeks after confinement;
5. Absolute prohibition of the sale and purchase of children for purposes of exploitation; prohibition of child labor for all purposes under fourteen years;
6. Equal wages for equal work;
7. Freedom of organization, freedom of assembly, freedom of press and freedom to organize and carry on strikes;
8. Introduction of a system of labor inspectors who are to be elected by the trade unions;
9. Abolition of corporal punishment, fines, the practice of docking wages or of paying wages with products from the factory stores;
10. Organization of labor pickets to fight against Fascism and blacklegging.<sup>8</sup>

With the eviction of the Communists from the Kuomintang in April, 1927, most of the Red labor unions in China were dissolved and many of their leaders killed. Over 470 labor organizations in Canton were abolished by an order of the military authorities that spring, while only 30 were left undisturbed. Among the unions which were disbanded or reorganized was the famous Chinese Seamen's Union, which had been for a long time headed by the Communist leader, Su Chao-jen. In Hongkong the office of the Chinese Seamen's Union was closed by the British authorities and an organization of a much milder character was allowed to appear under the name of Chinese Seamen's Associated Union.

### *Period of Terrorism*

Since the split with the Kuomintang, the Communists have resorted to secret and terrorist methods of work. The Communist *coup d'état* in Canton on December 11, 1927, the Red uprising in Nanchang on July 30, 1928, and the short-lived Soviet regime in Changsha in the beginning of August, 1930, were all part and parcel of a general terrorist

---

<sup>8</sup>*China Year Book, 1926, p. 1026*

movement planned by the Communists to conquer South and Central China, though a number of their own members were not in entire agreement with these violent tactics and subsequently formed an opposition (the Trotskyists) within the Communist Party.

It should be noted here that the propagation of Communism in China today is strictly prohibited by law. By virtue of the Regulations for the Enforcement of Martial Law and the Emergency Law regarding the Safety of the Republic, persons engaged in Communistic activities can be arrested and summarily dealt with. In fact, since the split between the Kuomintang and the Communists in 1927 the execution of Communist agitators has become almost a daily occurrence, and the number of persons killed on the charge of having participated in Communist activities has increased by leaps and bounds. In some places, persons who are by no means Red but have in one way or another displeased the Government authorities have also been silenced without due process of law. The execution of Liu Yu-sen, editor of the *Kiang Sen Daily News* in Chinkiang in the beginning of 1933 is an illustration that can be easily multiplied. The suppression of "dangerous thoughts" in republican China has become as rigid as it is in imperial Japan. Under these circumstances, the Communists cannot but adopt desperate methods to spread their influence among the Chinese masses.

Since they can no longer conduct their activities openly, the Red labor unions have suffered serious reverses in recent years. The chief points of emphasis in the programs of the Red labor unions, however, may be seen from the following measures adopted at a secret plenary session of the All-China Labor Federation in February, 1928: (1) to regard the overthrow of Kuomintang rule and imperialism as the chief and most urgent task of the Red labor unions in China; (2) to give special attention to organizing the seamen, the miners, the railway workers, the textile workers, the metallic workers and the industrial workers in such important centers as Shanghai, Tientsin, Tsingtao, Hongkong, Canton and Wuhan; (3) to give more effective direction to the All-China Railway Workers' Union, the All China Seamen's Union, the Shanghai General Labor Federation and the Canton office of the All-China Labor Federation; (4) to participate in the mass movements in Shanghai; (5) to send representatives to direct and intensify the class-struggle in various parts of the country;

(6) to organize institutes to train secretaries and special workers for the Red labor unions; (7) to give greater emphasis on propaganda and educational activities; and (8) to study and collect information regarding the economic and labor situation in China.<sup>9</sup>

In November, 1929, the All-China Labor Federation convened the fifth national labor conference in Shanghai. At this Conference resolutions were adopted to cope with the increasing influence of the "Yellow" labor unions and to lay stress on organizing the peasants and artisans in the country districts. In fact, a much greater attention is now given to the making of Communists out of the Chinese peasantry through the redistribution of land, and a stronger emphasis is put on the agrarian revolution than in previous periods.

### *Labor Conditions Under Soviet Regime*

While very little reliable information is available regarding the actual conditions of the Soviet districts in South and Central China today, their socio-economic policy may be seen from the following platform issued in the *Red Army Daily*, August 2, 1930:—

1. To overthrow imperialism;
2. To confiscate all foreign firms and banks;
3. To unify China and to grant the right of self-determination to all races and tribes in this country;
4. To overthrow the militarists and the Kuomintang government;
5. To establish the conference of workers', peasants' and soldiers' representatives and to set up a Soviet government;
6. To enforce the eight-hour day, to increase wages, to provide relief for the unemployed and to institute social insurance;
7. To confiscate all the holdings of the big landlords for redistribution among the poor and the small peasants;<sup>10</sup>
8. To improve the livelihood of the soldiers and to provide them with work and land;
9. To abolish all taxes levied by the militarists and to enforce the single-tax system;
10. To co-operate with all the unpropertied classes of the world and Soviet Russia.

<sup>9</sup>*Chinese Labor Year Book, Second Edition, Part II, pp. 192-193.*

<sup>10</sup>It may be noted here that wherever the Red armies went, they destroyed all the landmarks or boundary stones of private properties and burned all the title deeds they could discover.

The first All-China Soviet Congress was held in southeastern Kiangsi on November 7, 1931, when in conformity with the platform mentioned above, a Provisional Government of the Soviet Republic of China was inaugurated and Mao Tse-tung was elected its first chairman. Communistic reports issued in the fall of 1931 claim that the conditions of the workers and the peasants in the Soviet districts have radically improved.<sup>11</sup> In May, 1930, the Soviet authorities adopted a labor code which provided for the eight-hour day, the fixing of a minimum wage, labor protection for women and juniors, social insurance for workers, and the establishment of trade unions. Wages have been increased, the eight-hour day has been introduced, the contractor's system abolished (especially in western Fukien and south-eastern Kiangsi), night work for women and children stopped. Apprentices in the Soviet districts receive wages; the bosses are no longer permitted to do just what they please. The apprenticeship term has been reduced from five or more years to three years; most of the apprentices have freed themselves from the old craft traditions and have organized their own trade unions. Besides, the trade unions are given the right to organize and to declare strikes, to negotiate and conclude agreements with employers, and to participate in the running of factories. Members of the Labor Commission of the Provisional Soviet Government and the labor inspectorates of the various Soviet districts are directly recommended and nominated by the trade unions.

It must be added, however, that few important industries exist within the Soviet sphere of influence in China. Hence, whatever progressive labor regulations and practices the Communists have in their respective regions might have been introduced for propaganda purposes rather than for actual application. Further, since the Communists are often compelled to move from one place to another, they have hardly had sufficient time successfully to experiment with what they preach in any particular locality.

#### *Influence Among Chinese Workers*

No accurate information is available regarding the definite size of the Communist Party in China or the extent of its membership amongst the proletariat. At the end of 1927 it was estimated that the

---

<sup>11</sup>From *Eastern and Colonial*, Vol. IV, Nos. 10-11, August-September, 1931.



Communist Party in China had about 60,000 members. In 1929, this membership had reached a figure of 133,365 according to an article on "The Situation of the Chinese Communist Party" published in the *Pravda*, Moscow, on June 23 that year.

The influence of the Communist Party amongst the rank and file of the working people in China is also difficult to estimate. According to an article entitled "An Analysis of the Strength of the Communist Party in China" in the Kuomintang magazine *The Way of Light* on April 16, 1931, the total number of industrial workers in China was estimated at 2,750,000. This figure is probably taken from Su Chao-jen's "Report on the Labor Movement in China" given at the Pan-Pacific Trade Union Conference in 1927, and has most likely decreased during the last few years (see Table 13). Indeed, according to the investigations of the Ministry of Commerce, Industry and Labor in 1930 the number of factory workers in twenty-nine important cities, covering nine provinces of China, was only 1,204,317. The number of handicraft workers in China is even more difficult to know. According to the investigations of the Ministry of Agriculture and Commerce of the former Peking government, there were about 11,960,000 handicraft workers in China (see Table 14). No estimate regarding the handicraft population has been attempted in recent years. If the above estimates are accepted as reasonable conjectures, the total number of industrial and handicraft workers in the whole of China cannot be very far from 15,000,000 and is certainly less than 20,000,000. At the fifth All-China Labor Conference held in 1929, the Red labor unions claimed that they had a total membership of 70,000 for all China, three-fifths of which were in Soviet districts and the rest scattered in various "white" territories. At the fifth Red International of Labor Unions congress held in August, 1930, it was reported that the Red trade unions in China had 114,525 members, of which 64,704 were in Soviet regions and 49,821 in "white" territories. In September, 1931, the numerical strength of the Red trade unions in Soviet China increased to 100,000, although that of the Red unions in the "white" territories showed a small decline.<sup>14</sup> Compared with a total working population of approximately 15,000,000 (excluding the peasants), a membership of about 150,000 for the Red labor unions in the whole of China is apparently not an alarming phenomenon.

---

<sup>14</sup>From *Eastern and Colonial*, Vol. IV, Nos. 10-11, August-September, 1931.

TABLE 13

NUMBER OF INDUSTRIAL WORKERS IN CHINA IN 1927<sup>12</sup>

Electric workers .....	80,000
Textile workers .....	280,000
Silk Workers .....	160,000
Miners .....	540,000
Seamen .....	160,000
Railway workers .....	120,000
Wharf workers .....	300,000
Metal workers .....	50,000
Building and construction workers .....	200,000
Postal workers .....	90,000
Municipal employees and policemen .....	250,000
Salt workers .....	250,000
Tobacco workers .....	40,000
Rice selling workers .....	60,000
Printers .....	50,000
Other manufacturing workers .....	120,000
Total .....	2,750,000

TABLE 14

NUMBER OF HANDICRAFT WORKERS IN CHINA<sup>13</sup>

Spinning and weaving workers .....	320,000
Native miners .....	600,000
Building workers .....	600,000
Tailors .....	850,000
Tea workers .....	350,000
Net workers .....	80,000
Straw hat braiders .....	120,000
Porcelain workers .....	250,000
Fire-cracker workers .....	200,000
Barbers .....	240,000
Metal smiths .....	160,000
Shoe-makers .....	300,000
Paper makers .....	150,000
Coolies .....	1,200,000
Salt workers .....	420,000
Rice sellers .....	240,000
Shop employees and apprentices .....	1,600,000
Boatmen .....	1,200,000
Printers .....	80,000
Other handicraft workers .....	3,000,000
Total .....	11,960,000

<sup>12</sup>From Su Chao-jen: "Report on the Labor Movement in China," *Proceedings of the Pan-Pacific Trade Union Conference, 1927.*

<sup>13</sup>From the *Way of Light*, Shanghai, April 16, 1931. The total number of handicraft workers in China in this table is a little smaller than the one given by Su Chao-jen at the Pan-Pacific Trade Union Conference in 1927, which was 12,160,000.

*The Challenge of Communism*

However, the power of the Communist Party in China goes beyond its numerical strength. Communism, it was said a few years ago, could not conquer China for the very factors which brought about the revolution in Soviet Russia did not exist in this country. One wonders if such an assumption can still be substantiated by facts. Twenty years of domestic warfare, the break-up of the agricultural system, the deplorable working conditions in the cities, the recurrence of natural calamities and famines, the persistent propagation of radicalism among the masses and the growth of a ruling class of militarists, politicians and foreign-educated adventurers who, in the heat of fighting, always appear solicitous of the people's interests but when in power have nothing but their own pockets in view—these are constant sources of fuel to the flame of social revolt in China. Proletarian literature and communist ideology have made alarming progress during the last few years. In many places, the sentiments of the peasants, the workers and the younger generation have become openly sympathetic with the aims and aspirations of the Communist Party, though it is admitted that the Soviets in China have hitherto been more destructive than constructive. Since the downfall of the Manchu regime in 1911, several revolutions have taken place in China. They have, however, affected only the upper strata of society. The real revolution in China, which must center on the life problems of her people, has not yet taken place.

Whether one likes it or not, the most alluring feature of the Communists in South and Central China today is their policy of agrarian revolution. Because of these efforts in redistributing land, countless farmers have turned Red even though they may not have the least comprehension of the intricate theories of Karl Marx. Such a radical transformation in land tenure is a most disturbing problem for the present Chinese regime to face. Unless the Kuomintang, which has copiously advocated the doctrine of "enabling the peasant to own the land he tills," makes an equal attempt to improve the status of the Chinese peasantry and carry out certain long-over-due reforms, Communism will not likely fade away in the rural districts.

It is often asserted that the Communists in China are lacking in intelligent leadership and organizing ability, and that with the com-

pletion of the present bandit-suppression campaigns, Communism will soon die a natural death. Such an assertion, however, is more comforting than real. Not only are the Soviets in China well-organized one may find a considerable number of men of unusual calibre, noble motives and world-wide experience. One must not forget, moreover, that in Moscow and other places in Soviet Russia there are hundreds of young Chinese who are getting themselves equipped to take up important duties in the Soviet machinery upon their return to their homeland. In the spring of 1932, the Communists claimed that they were in control of 60,000 square miles of Chinese territory, possessed a well-equipped army of 150,000 to 200,000 fighters and had 30,000,000 to 50,000,000 civilians under their jurisdiction.<sup>15</sup> Although the four-month military campaign carried out by the National Government that summer has considerably reduced the Soviet sphere of influence in Central China, optimism regarding the future developments is not yet discernible. The Soviet strongholds in Kiangsi and Fukien are apparently unperturbed, if not expanding. The Communist Party in China, indeed, may suffer from military defeats now and then; it may be condemned for its violent tactics. But its socio-economic message will always be a rosy appeal to the masses, and its ultimate goal a challenge to all thinking Chinese. Whether or not it is to become the master of all China largely depends upon how much the present leadership will try to gratify the needs of the common people and rebuild the existing social order on a new basis of justice and equality.

---

<sup>15</sup>From "Kuomintang vs. Soviets," *China Forum*, Shanghai, May, 1932.

## CHAPTER XIV

### CONDITIONS FOR ECONOMIC RECONSTRUCTION

#### *Reconstruction—China's Most Urgent Task*

Mencius, the great Chinese philosopher, once said: "Let it be seen to that the people's fields of grain and hemp are well cultivated; make the taxes on them light so they may be made rich. Let it be seen to that the people use their resources of food at the proper time and expend their wealth only on the prescribed ceremonies so that their wealth will be more than can be consumed. The people cannot live without water and fire, yet if you knock at a man's door in the dusk of the evening and ask for water and fire, there is no man who will not give them; for such is the abundance of things. A sage governs the empire so as to cause pulse and grain to be as abundant as water and fire. When pulse and grain are as abundant as water and fire, how shall the people be other than virtuous?"

While these simple canons of political economy were written many centuries ago, they are, strangely enough, still applicable to the economic problems of the Chinese people today. In spite of the fact that throughout the different dynasties of Chinese history the question of the people's livelihood has been regarded as the highest responsibility of the rulers and officials, its solution is brought no nearer now than it was before. The present situation, indeed, shows much resemblance to the days of Mencius. The fields of grain and hemp are being deserted by the farmers; the taxes on them recklessly increased; and in the midst of pauperism and unrest the overwhelming majority of the Chinese people are finding it difficult to live a virtuous life. While Europe and America have learned to harness the forces of nature and to marshal their scientific knowledge and experience towards the betterment of their livelihood, and while their people are thus enabled to explore into the higher and nobler values of life, the Chinese, on the contrary, have not advanced very far beyond their traditional modes of living and social organization. Excepting the comparatively small groups of people in the treaty ports whose living conditions are being influenced and perhaps enriched by modern industry and commerce, the great masses in China are still vexed by the old "rice or millet bowl" question.

Amidst their constant struggle for existence, these teeming millions have neither the inclination nor the capacity to seek for political, social and cultural advancement. Unless a sound material foundation for China's national existence is brought within the realm of practical solution, there can be no ground for the Chinese to entertain any ambitious program for political, educational or spiritual development.

The intimate bearings which the existing political and economic conditions have upon Chinese labor are manifest everywhere and can hardly be over-emphasized. The ever-present fear of starvation and the intense struggle for the bare necessities of life on the part of the working people in China have, naturally, a very unfavorable effect on all labor standards and economic relationships. Even if, miraculously, all the Chinese employers can be converted into apostles of industrial democracy and are willing to reconstruct their enterprises on the basis of a new economic morality, the status of Chinese labor cannot be radically and permanently elevated unless, simultaneously, several other basic changes in the political and economic panorama are conscientiously carried out.

It is beyond the province of this book to prescribe the technical remedies that are necessary to solve this capital issue in China. There are, of course, no ready-made pills to cure her manifold economic ills: the key to her economic future can be shaped only by patient study, careful planning and concerted action. To work out a thorough and lasting solution for China's economic difficulties, it is imperative that her leaders should quickly realize the importance of their responsibilities, clarify and even transform their social and economic thinking, and dedicate their combined efforts to the task of national rehabilitation. Such a process will, indeed, be a long and tedious one, there being no short-cut to the goal of national regeneration. Meanwhile, it behooves all those who are interested in China's future welfare to share with her the responsibility of ameliorating her present hardships and to apply, as ventured below, certain first-aid measures to pave the way for the establishment of normal and flourishing conditions.

### *Nation-wide Agricultural Development*

The first prerequisite to economic reconstruction in China is the enforcement of a policy of nation-wide agricultural improvement. In

spite of the fact that manufacturing has become an increasingly important means of livelihood and its advantages have captured the imagination of many people in China, she is still overwhelmingly a nation of farmers and agriculture is still the foundation of her national economy. Indeed, the central and most acute labor issue in China today is not so much the improvement of the living standards of the million or two factory workers as that of the much larger group of unskilled and agricultural laborers. The present agrarian crisis in China has, moreover, brought about serious repercussions upon her industrial and commercial life, and has greatly lowered the purchasing power of the masses. Until the millions of Chinese who depend upon the good earth for their livelihood are brought into a higher economic plane, it is futile to work for better standards for the industrial population; unless the rural communities make a better showing in economic progress, it is impossible to promote manufacturing on any large scale.

Again, it is generally admitted that agricultural conditions in China are much the same as they have been for many centuries past. Although the Chinese farmer is widely known for his skill and intensive work, his tools and methods of cultivation are still primitive, and consequently his output is extremely small. The Chinese farm is, indeed, overmanned and under-capitalized, as Professor R. H. Tawney pointed out.<sup>1</sup> Because of this low productivity, the Chinese farmer has a very low standard of living and is frequently endangered by want and hunger. Such reforms as the improvement of soil conditions, crops, farm implements and management, the development of rural education and hygiene, the promotion of auxiliary industries, the betterment of rural credit and marketing facilities and the consolidation of small holdings should be swiftly undertaken by the Chinese in order to increase the productivity of the rural population and thus convert them into a real asset in national reconstruction.

In order to facilitate this agricultural development, it is also important that Chinese farmers should receive definite assistance from their Government in enlarging the market for what they produce and in maintaining, as far as local circumstances permit, a free flow of the principal food supplies throughout the country. It is a happy sign that

---

<sup>1</sup>R. H. Tawney: *Land and Labour in China*, Harcourt, Brace and Company, New York, 1932.

the Kuomintang Central Executive Committee in its Third Plenary Session held in December, 1932, has adopted a resolution to abolish the inter-provincial embargo on rice and wheat as well as the transit taxes on such products between the different provinces and districts. If this recommendation can be effectively applied by the various authorities in China, a more rational distribution of foodstuffs will undoubtedly ensue, and thus agricultural production will be greatly stimulated.

Serious attention should also be given to the solution of the question of land tenure in China. At the present moment the Communist Party in China is gaining a large number of farmers into its fold, largely because it has adopted (and in several places enforced) a land policy in their favor. While the National Government of China has enacted various laws for land reform, it has not yet attempted to enforce them throughout the country.<sup>2</sup> Unless the farmers are relieved of some of the burdens piled on their shoulders by unscrupulous landlords and tax collectors, there will be no chance of restoring stability and prosperity in the country districts, and unless the people in the country become prosperous, the people in the cities will also remain prostrated.

Moreover, efforts should be made at once to remove the congestion of capital in the treaty ports and to relieve the farmers in the inland regions from borrowing money at usurious rates of interest. It is a happy sign that a number of Chinese banks have lately taken a deep interest in developing agricultural credit societies. While the rural co-operative movement has made its chief progress in Hopei (largely with the help of the China International Famine Relief Commission), Kiangsu and Chekiang provinces, the experience of the Shanghai Commercial and Savings Bank in this respect may be taken as a worthy example. Beginning from 1931 the Bank has been co-operating with the China International Famine Relief Commission in promoting agricultural credit societies in Hopei province, and within the last two years the amount of capital invested in this experiment has increased from \$20,000 to \$50,000. Prior to the establishment of these credit societies, a farmer in Hopei had to pay a monthly

---

<sup>2</sup>That the National Government of China fully realises the importance and urgency of her agricultural problems is evidenced by her invitation to the League of Nations rural experts, Dr. Perris and Professor Dragoni, who are now undertaking an inspection of the rural conditions with a view to recommending improvements to the National Economic Council.



interest of  $2\frac{1}{2}$  to 3 per cent for a small loan of, say, \$200 which means an interest expenditure of \$60 to \$72 a year. At present, a farmer may obtain money from the credit societies at only  $1\frac{1}{2}$  per cent a month and thus reduce his interest burden to only \$36 a year. Records show that the farmers have rarely defaulted in paying either the interest or the principal, and that over three-fourths of what they borrow have been directly employed in agricultural development.<sup>3</sup> If the principles of the co-operative movement can be equally applied in other phase of rural economy such as the purchasing, transportation and marketing of agricultural produce, the livelihood of Chinese farmers would undoubtedly be greatly improved.

### *Policy of Financial Retrenchment*

The promotion of thrift and economy in both individual and national life is a second preliminary to the revival of economic stability in China. Since the introduction of Western commerce into this country, there has been an increasing tendency on the part of her people to spend more than they earn. Extravagance and waste are especially noticeable in the treaty ports where the Chinese are constantly influenced by foreign ways of living, and are ever tempted to consume beyond their productive or earning capacity. The changes in consumption habits and standards have greatly surpassed China's advances in economic development, and often are blindly accepted as indications of social progress and individual prestige. There has also been a sudden growth of unproductive and even parasitic enterprises in many cities, which draw heavily from the pockets of the people. Prosperity apparently prevails in some of these places, but it is largely due to the operation of political, temporary or other artificial forces and does not contribute to enhance the country's economic status or to the welfare of the people. On the one hand there are sharp declines in various forms of production; on the other there is an increasing urge to consume more than China can afford to buy. Of the 1,309,000,000 Haikwan Taels of imports for 1931, for example, over 90 per cent were goods for consumption, and only 44,000,000 Haikwan Taels or 3.38 per cent, consisted of machinery.<sup>4</sup> Henceforth there must be more sanity and

---

<sup>3</sup>K. P. Chen: "How To Find a Way Out for China's Economic Crisis," *New China Fortnightly*, Vol. I, No. 1, January 10, 1933.

<sup>4</sup>H. Y. Moh: "The Economic Crisis in China," *Native Products' Monthly* (Chinese), Tientsin, Vol. I, No. 3, August, 1932.

sound planning in China's economic behavior, for only through a return to plain living can she hope for any immediate recovery from her economic collapse.

This perilous condition in individual economy also prevails in China's public affairs. In the budgets of many provincial and local governments there are heavy deficits every year. According to the Directorate of Accounts, Budgets and Statistics in Nanking, of the budgets for 1931 to 1932 submitted by sixteen provincial and municipal administrations, only six are balanced, as shown below:—

Name of Place <sup>5</sup>	Revenues	Expenditures
Kiangsu .....	\$26,176,187	\$26,176,187
Chekiang .....	25,195,389	25,195,389
Honan .....	17,848,752	17,848,752
Hopei .....	33,223,442	33,223,442
Hunan .....	17,123,714	17,123,714
Jehol .....	1,703,516	2,359,462
Shensi .....	13,994,879	20,781,164
Ninghsia .....	1,104,732	3,260,809
Yunnan .....	3,124,857	5,430,819
Kueichow .....	2,623,000	8,925,668
Shansi .....	11,349,671	17,766,116
Hupei .....	23,600,121	28,006,694
Kwangtung .....	34,169,945	43,095,243
Peiping* .....	3,483,922	5,068,521
Weihaiwei* .....	208,398	516,988
Tientsin* .....	4,929,571	4,929,571

\*Municipal administrations.

The deficits in the annual budget of the National Government of China during the last few years have been equally alarming. The following table shows the amount of deficits incurred in the National Budget for the last four fiscal years as well as the percentage of these deficits in the total expenditures of the National Government:—

TABLE 15

ANNUAL DEFICITS OF THE NATIONAL GOVERNMENT OF CHINA<sup>6</sup>

Year Ending June 30	Total Expenditures	Expenditures covered by Borrowing	Per Cent of total Amount
1929 .....	\$434,000,000	\$ 80,000,000	18.4
1930 .....	539,000,000	101,000,000	18.7
1931 .....	714,000,000	217,000,000	30.4
1932 .....	683,000,000	130,000,000	19.0

<sup>5</sup>From *China Weekly Review*, Vol. 62, No. 6, October 8, 1932.

<sup>6</sup>*Report for the 19th and 20th Fiscal Years of the Republic of China*, Ministry of Finance, Nanking.

It is obvious from the above data that the extent of borrowing on the part of the Chinese Government during the last four fiscal years has been quite serious, and that if this policy of reliance upon public loans in meeting its current expenditures is not changed, the National Government will before long find a complete lacking of public confidence in its credit standing and will discover that it has killed the goose that lays the golden egg. It is to be noted with gratification, therefore, that since the beginning of 1932, the National Government has adopted a policy of retrenchment in all its expenditures, especially military disbursements, and has succeeded in carrying out some remarkable improvements in its revenue-collecting methods and machinery. Indeed, in the *Report for the 19th and 20th Fiscal Years of the Republic of China* the Ministry of Finance declares that for the first time since the birth of the Republic the Chinese Government has been able to produce a balanced budget and has stopped all borrowing beginning from February, 1932. As a result, Chinese Government securities have advanced steadily during recent months. These signs of financial recovery, however, do not yet warrant unreserved optimism regarding the future of China's public finances, as they always depend upon how long domestic peace will last and to what extent foreign aggression will be allowed to disrupt the revenue system and financial administration which the Chinese have so arduously built up in recent years.<sup>7</sup>

A cursory review of the reports of the Ministry of Finance for the last few years will also indicate that the largest items of expenditure of the National Government have been military disbursements, loan and indemnity payments. Table 16 shows the military and debt expenditures of the National Government as well as the percentage they occupy in the total budget for the last four fiscal years.

From this table it may be seen that the amount of military and debt expenditures combined (for every one of the four fiscal years) is more than 80 per cent of the total expenditures of the National Government, and that less than 20 per cent of its annual income has been used to develop such urgent public needs as education, com-

---

<sup>7</sup>Because of the Japanese invasion of Shanghai and their seizure of the Customs in Manchuria, the total revenue of the Chinese Maritime Customs for 1932 showed a decrease of about 45,848,000 Haikwan Taels from that of 1931.

TABLE 16  
MILITARY AND DEBT EXPENDITURES OF THE  
NATIONAL GOVERNMENT<sup>8</sup>

Year Ending June 30	Total Expenditures	Military Expenditures		Loan and Indemnity	
		Amount	Percentage of total	Amount	Percentage of total
1929	\$434,000,000	210,000,000	48.3	160,000,000	36.8
1930	539,000,000	245,000,000	46.5	200,000,000	37.1
1931	714,000,000	312,000,000	43.7	290,000,000	40.6

munication facilities and other means of improving the people's livelihood. It cannot be denied that an immediate arrangement must be found to minimize and perhaps suspend these two huge payments for a given period, so that the National Government may devote the greater part of its resources to finance its program of reconstruction. As a first step towards this solution, China's superfluous troops should be disbanded and be given productive forms of employment. No one knows exactly how many soldiers there are in China, but they are roughly estimated to be 2,599,200—twelve times greater than what is actually necessary to preserve peace and order in the country.<sup>9</sup> Therefore, without first disbanding China's superfluous troops and reorganizing them on a more economical and efficient basis it is ridiculous to talk about economic reconstruction. International finance will not help China unless and until she has first learned to help herself.

### *Taxation Reforms*

"Lighten the taxes on the people," declared Mencius. Unfortunately, both the national and the local taxes in China have been unscrupulously increased during the recent years and have become so unpredictable and multifarious that business men are now reluctant to launch new projects of industrial development. Because of excessive taxation, trade and transportation are disrupted, and the agricultural system is badly dislocated. In Peiping, for example, the total municipal tax has increased 393 per cent from 1916 to 1930, and the total national tax 73 per cent during the same period. One theatre in the said city has to pay no less than 13 different kinds of taxes, according to a statis-

<sup>8</sup>Report of the 19th and 20th Fiscal Years of the Republic of China, Ministry of Finance, Nanking.

<sup>9</sup>China Year Book, 1931, p. 437.

tical survey of taxation made by the Peiping Institute of Social Research. In ten provinces in China there are reported to be as many as 299 kinds and rates of salt tax alone.<sup>10</sup> It is true that the National Government has made considerable headway in reducing the number of taxes and in consolidating them into a few simple systems so as to augment the tax yield without increasing the imposts, but the effects of such reforms are more than offset by the newly-created National taxes as well as those freely levied in places where the National Government does not yet exercise complete control.

The proceeds from taxation, moreover, have not been employed in constructive activities but mainly utilized to defray civil warfare and to pay debts and indemnities to foreign countries. The result of this policy has been the exhaustion of all the taxable sources of revenue. Both the National and many local governments have become increasingly dependent upon the floating of public loans to meet their heavy expenditures. Industries are thus deprived of the necessary capital for their proper development, and the number of unemployed and lawless elements in China has been growing by leaps and bounds. The Chinese people, therefore, should no longer tolerate this wasteful policy, but see to it that steps are immediately taken by their Government to eliminate the confusion and injustice in the different tax systems, and that every cent it collects from the people is devoted to national reconstruction or public service. Unless China reshapes her financial policy in accordance with the capacity and needs of her people, there will be no hope of any betterment in her economic situation.<sup>11</sup>

### *Better Communication Facilities*

In order to relieve the economic sufferings of the Chinese people, an immediate development of the means of communication and transportation is most essential. Because of the lack of good transportation facilities it has been impossible to effect any equitable distribution of agricultural produce in the country. As this paragraph

---

<sup>10</sup>Unsigned: "The Burden of the Salt Tax in China," *People's Tribune*, Vol. I, No. 6, December 6, 1931.

<sup>11</sup>By virtue of a new law adopted by the Legislative Yuan in Nanking on November 19, 1932, no local government will from now on be allowed to impose new taxes, increase existing taxes or issue any public loan except in accordance with the requirements of the said law. It also gives the Ministry of Finance of the National Government certain powers to supervise local finances.

is being written (October, 1932), a report comes from Taiyuan stating that according to the latest statistical surveys of the Shansi provincial government, over 1,160,000 *mow* of farm land are damaged by flood, and as a result, no less than 280,000 people in that province are facing starvation. Yet at the same time, it is reported that the rice harvest in the lower Yangtze river districts are so plentiful that what was formerly sold at about \$11.00 per picul can now be disposed of at only \$3.80. In many places the farmers are finding themselves in distress not so much because they have too little but because they have too much. An improvement in transportation facilities will help China in minimizing the chances of famine, and enable her rural population to reap higher returns from their labor.

Furthermore, the present system of communications and transportation in China is far behind the growing demands of her political, economic and social progress. In area and in population she is one of the largest countries of the world, but she possesses only about ten miles of railway for each million of her population.<sup>12</sup> The province of Szechuen, for example, has about 65,000,000 people, but not a mile of railway. It has not been possible, then, to make the fullest use of the wealthy resources for which Szechuen is famous. The means of communication and transportation in China are also lamentably inadequate for the rapid movement of troops and military supplies, and to protect the country from banditry or foreign aggression. In the bandit-suppression campaigns of the National Government as well as in the recent Manchurian conflict, this weakness has been laid bare. Indeed, China's political, economic and social life will always be crippled unless she develops an adequate system of communications and transportation over her vast territory.

### *Purposeful and Creative Education*

China must yet turn her vast man-power into a well-disciplined and purposeful force for economic rehabilitation, and to do this she must at once carry out a nation-wide educational movement. The percentage of illiteracy among the Chinese people is commonly estimated at 80 per cent, which is probably higher than that of any other civilized nation on earth. The number of middle schools in

---

<sup>12</sup>Arthur M. Shaw: "Economics of Light Railways for China," *Chinese Economic Journal*, Vol. X, No. 6, P. 528, June, 1932.

China, according to the data given out by the Ministry of Education in Nanking in 1931, was less than 1,500! At the second national educational conference held in April, 1930, it was stated that 1,400,000 elementary school teachers must be secured and trained during the next twenty years in order to educate the 40,000,000 Chinese children of school age. It was also estimated that at least 112,470 mass education schools are needed in China.<sup>18</sup> With about one quarter of humanity assembled in this part of the world, there is no reason why China should not have and cannot profitably conduct a school on every street! Unless a gigantic educational movement is carried out, the vast face of China will continue to be one of ignorance and poverty.

In order to convert China's teeming millions into a powerful and useful factor for reconstruction, some fundamental changes in her educational methods and practices are called for. In the schools in China, one finds too much imitation of the superficialities of Western culture and, frequently, one does not see any effective co-ordination between what is taught and the life problems of the people. Chinese educational institutions are especially deficient in that they do not persistently cultivate in the minds of the students a desire and ability to work with their hands. Academic honors and degrees are looked upon as more important than vocational and technical education. Instead of growing horizontally, education is fast becoming largely a luxury for the few. This danger of top-heaviness should be overcome at once, and a much greater emphasis on the dignity of labor, practical training and livelihood education should be carried out.

Both the curriculum and the extra-curricula activities in Chinese schools should be so reshaped as to give greater emphasis on developing among the young people a spirit of comradeship and co-operation. Devotion to social and national ideals is a much-needed quality in China today. Educational institutions can help immensely in doing away with clannish feelings and provincialism, and in building up new attitudes and a spirit of team work. Unless the Chinese devote much more attention than they have given so far to the development of a purposeful and realistic system of education, which will not only teach their people how to read and how to write but also how to live together and how to work for the common task of national

---

<sup>18</sup>*China Year Book 1931*, p. 448.

rejuvenation, their economic development will always be unbalanced and unstable.

### *Improvement of Domestic Industries*

A sixth condition which the Chinese should fulfill in order to improve the people's livelihood is the conservation and expansion of domestic industries (especially the light and small-scale industries), and the rebuilding of certain trades in which the Chinese have enjoyed a leading position in world commerce for many years past. It is often suggested that in order to solve the problem of poverty in China, she should at once carry out a policy of large-scale industrialization. But those who favor this proposal must not forget that the successful development of modern industries on a large-scale demands at least the following prerequisites: 1. large capital, 2. technical knowledge and skilled labor, 3. huge deposits of minerals, and 4. ability in business organization and social co-operation. Unfortunately, these factors (with the possible exception of mineral resources) are quite lacking in China today and will not be developed or obtainable for many years to come. While appreciating the necessity of building up certain basic or key industries that are of vital concern to China's national existence, it is to her advantage to immediately strengthen her position in the small-scale and handicraft industries in which she knows she is superior to the West, and to work towards an industrial development on the strength of her present foundations and experience.

For the past few years considerable publicity has been given to promoting the use of native goods. It is by no means a movement peculiar to China. The Germans nowadays also clamour: "Buy German goods," the British tell their compatriots: "Buy British," and the French advise their countrymen: "Invest in France." Carried out in extreme forms this movement will tend to interfere with the free flow of international trade and, in the long run, will be costly to all the countries concerned. For example, a good number of industrial and commercial enterprises in China have taken advantage of the patriotic movements within the last few years to enlarge their markets and have, in consequence, enjoyed considerable prosperity. But built upon opportunist factors rather than on any peculiar economic advantage or basic need in China, these industries have proved to be more profitable to certain groups of individuals than to the economic



status of the nation as a whole. It is imperative, therefore, that the economic as well as the patriotic implications of the native goods' movement be properly grasped. To promote the use of native goods is, after all, a negative thing. What is more important and more urgently needed in China is the development of her existing industries from the standpoint of production, management, and social need. As long as Chinese industries are unscientifically handled and Chinese goods are of an inferior quality to foreign goods, the people will always be apt to give preference to the latter as soon as the native goods' campaigns are over.

In this connection, there should be a greater amount of co-ordination and planning between China and those nations which are interested in her economic development in molding the character of their trade relationships in such a way as to protect certain industries which China is best qualified to carry on. A proper application of the principle of geographical distribution of labor will precipitate the growth of international trade. From the standpoint of China's future economic welfare, too, there is undoubtedly an urgent need for her to exercise a much greater control over the nature and direction of her foreign trade than she has been able to do, so far. Steps should be taken at once to bring about a free movement of agricultural products within the country and thus minimize the purchase of foreign agricultural products, and to encourage the importation of reproductive commodities and capital goods which will stimulate the economic development of the Chinese people and increase their purchasing power for things which the industrial nations of the West are specially prepared to provide. In short, the native goods' movement is a sound policy only when it is not allowed to become an expression of an insular or nationalistic economy, but is wisely utilized for stabilizing industrial conditions in China and enriching the livelihood of her people.

#### *Social Planning and Organization*

A well-planned structure of social economy based on the permanent interests and needs of the Chinese people rather than the immediate benefit of any particular group should be worked out and looked upon as the final destination of China's reconstructive efforts. China is now drifting towards the edge of an economic precipice, and nothing short of a carefully organized and nation-wide scheme of economic

rebuilding, directed and supervised by a central agency, can prevent her from falling into the impending abyss. If she can take advantage of the lessons of planned economy now, she may gradually evolve a more rational and just economic order for the coming generations, and thus save them from going through the possibility of violent revolution and bloodshed. Such an economic policy is neither fantastic nor Red; it is plain common sense. Indeed, the point has been ably expounded by Mr. T. V. Soong, in his *Annual Report of the Ministry of Finance* for the fiscal year ending June, 1930: "During the World War, the Western nations increasingly used the state to co-ordinate and direct the productive forces of the country, and with the visitation of the world-wide economic depression this tendency is further emphasized. The most outstanding example of deliberate planning by the state is that of Soviet Russia, where the Supreme Economic Council guides and entirely controls the co-ordination of the productive activities of the country, and through the so-called Five Year Plan is aiming at the astounding transformation of Russia into an industrial state. Surely a case has been made for discarding the haphazard, unrelated and clashing programs of the various branches of the Government, and the creation of a really effective planning organization, which would guide the productive forces of the country, co-ordinate the activities of the ministries and rigidly map out the essential ends which for a given course of years each of the different components is obliged to pursue. With such co-ordinated and purposeful activity within the Government, whereby it is made a unified and effective instrument to serve the nation, the financial resources available within the country itself for constructive development will prove to be greater than is ordinarily realized."

It is a happy sign that in conformity with the above suggestion, the National Government of China has created in June, 1931, a National Economic Council whose function is "to map out comprehensive programs of reconstruction in the light of the country's present needs and to so marshal her productive resources that in a given number of years all the components of the Government will be obligated to pursue and carry into completion the desired end." Unfortunately, domestic and foreign events which have taken place since the Council's inauguration have put it in an impossible position to make much headway in discharging its important mission. Furthermore, many ob-

stacles to the application of social control and planning have yet to be removed by educational means. The people in China have been so deeply entrenched in their traditional social structure and accustomed to the policy of *laissez faire* in their national economy that they are invariably reluctant to sacrifice any great amount of their personal interests for the realization of collective welfare. It must be emphasized, however, that what makes the Russian experiment an extremely significant factor in the realm of international economic relations today is not so much its technical intricacies or its gigantic scale as the fact that the Soviets are to a man determined to make their Plan a success. They are convinced that "the masses are everything, and the individual is nothing." If the Chinese people wish to achieve a similar record with their program of national rehabilitation, they must organize themselves in the same spirit and cultivate the same zeal and faith.

#### *Foreign Support and Cooperation*

The rehabilitation of China is such a stupendous task that it can hardly be launched without considerable guidance and support from abroad. As Dr. Sun Yat-sen stated in *The International Development of China*, the goal of material civilization should not be private profit but public service, and international capital should be secured and utilized to create a national socialism in China which would result not only in the elimination of the class-war within but also render the present international warfare for markets and concessions superfluous, as the industrial development of China would naturally absorb the surplus production of the industrial nations of the West.

Hitherto two main factors have obstructed the smooth influx of foreign capital into China: the lack of political stability in the country and Chinese suspicion towards foreign loans. Before China can acquire large sums of foreign capital to finance her program of reconstruction, she must set her own house in order and make it a sufficiently safe and profitable place to attract legitimate foreign investments on a large scale. A stable and honest government is the greatest of all needs in China today. At the same time, it is incumbent upon the foreign governments and financial institutions to adopt

a more constructive policy in their dealings with the Chinese people, so that the latter would be given no ground to question the motives of foreign investments. Devoid of political implications, foreign investments are more than welcome by the enlightened elements in this country, and can render a timely service not only to the Chinese but also to the investing public in the West. One feels confident that in China as well as in many Western countries today there are enough leaders with a liberal frame of mind to start a co-operative effort in pulling China out of her present economic predicament without exacting from her unreasonable political advantages.

### *Economic Internationalism*

Finally, the rehabilitation of China is a matter of world concern. A weak and indigent China will always be a temptation to international conflict and aggrandizement; a strong and flourishing nation of four hundred million people would be immensely helpful towards the restoration of stable and prosperous conditions in the world. However, China alone does not hold the key to her economic development. At no other time in her long history have her interests and problems been so closely interwoven with those of the West as they are today. Since the World War thinking people the world over have begun to appreciate more than ever before the necessity of reconstructing international economic relations on a basis of understanding and co-ordination. Rarely in the history of China has there been a warmer popular sentiment for national rejuvenation and international co-operation than is found in her national crisis today, and never before in the annals of mankind has there appeared a better opportunity for experimenting with the principle of economic internationalism than is offered in the present world depression. And yet to translate this long-cherished ideal into concrete programs and achievements, an unprecedented degree of statesmanship and moral courage is required of all those in charge of public affairs. It behooves the whole of mankind to discard their past grievances and prejudices and, instead, to cultivate a fresh and intelligent outlook towards their common economic ills. In the past, trade and other relationships between China and the Western powers have been largely built up through coercion and disregard of China's own welfare. The policy of not a few Western nations towards China has been, broadly speaking, bent on immediate results and for this reason, it has caused numerous mis-

understandings and has often wrought havoc to foreigners and Chinese alike. An economic rapprochement conceived in international goodwill and reciprocity, and undertaken not merely for economic gain but also for the sake of the political and social betterment of the Chinese people will, in the long run, bring inestimable benefit to all the nations concerned.

---

## **APPENDICES**

# I. FACTORY LAW

Promulgated by the National Government of China on December 30, 1929, and revised on December 30, 1932; translated by Lowe Chuan-hua and N. F. Allman.

---

## Chapter I

### GENERAL PROVISIONS

ARTICLE 1. This Law shall apply to all factories where power generators are used and where in ordinary times thirty or more laborers are employed.

ARTICLE 2. When used in this Law, unless the regulations otherwise indicate, the term "Proper Authorities" means the municipal government in municipalities and the district government in the districts (*hsien*).

ARTICLE 3. Factories shall keep a laborers' register, record fully the following particulars concerning each laborer, and file such information with the Proper Authorities:—

- (1) Name, sex, age, native-place and address;
- (2) Date of entry into the factory;
- (3) The kind of work, hours and remuneration;
- (4) Physical condition;
- (5) The rewards and penalties received in the factory;
- (6) The kinds of illness suffered by the laborer and the causes thereof.

ARTICLE 4. Once every six months factories shall submit to the Proper Authorities a report, containing the following particulars:—

- (1) Changes made in the laborers' register;
- (2) Illness suffered by the laborers, treatment and results;
- (3) Accidents and measures taken for relief thereof;
- (4) The dismissal of laborers and reasons therefor.

## Chapter II

### CHILD AND FEMALE LABOR

ARTICLE 5. No person, male or female, who has not completed his or her fourteenth year shall be employed in any factory as a laborer.

Boys or girls above the age of twelve and below the age of fourteen who are already in employment prior to the promulgation of this Law may, with the consent of the Proper Authorities, have the age limit extended when this Law is put into effect.

ARTICLE 6. Males or females above the age of fourteen but who have not completed their sixteenth year shall be deemed child laborers and are permitted to perform light or easy work only.

ARTICLE 7. Child and female laborers shall not be employed in the following work:—

- (1) In handling explosive, inflammatory or poisonous articles;
- (2) In places which are exposed to dust or poisonous odors and gas;
- (3) In fixing, cleaning, oiling, inspecting, or repairing moving machines, power transmitting equipment, or risky parts thereof, or in adjusting belts and ropes;
- (4) In connecting highly charged electric wires;
- (5) In handling molten metals or the residue thereof;
- (6) In handling furnaces or boilers; or
- (7) Other work that is immoral or of a dangerous character.

### Chapter III

#### WORKING HOURS

ARTICLE 8. In principle the number of working hours for adult laborers shall be eight per day; but may be extended to ten per day in cases of necessity due to varying local conditions or the nature of the work.

ARTICLE 9. All factories that use the system of day and night shifts shall so arrange their working schedules that the shifts for the laborers may be interchanged at least once a week.

ARTICLE 10. Notwithstanding the provisions of Article 8 a factory may, in case of *force majeure* and with the consent of the labor union, extend the working day, but the total number of working hours shall not exceed twelve per day, and the overtime work shall not exceed forty-six hours per month for any laborer.

ARTICLE 11. The regular working day for child laborers shall, under no circumstances, exceed eight hours.

ARTICLE 12. Child laborers shall not work between the hours of eight o'clock in the evening and six o'clock the following morning.

ARTICLE 13. Female laborers shall not work between the hours of ten o'clock in the evening and six o'clock the following morning.

### Chapter IV

#### REST AND HOLIDAYS

ARTICLE 14. Any laborer who works continuously for a period of five hours shall have half an hour's rest.

ARTICLE 15. All laborers shall have one day of regular holiday in every seven days.

ARTICLE 16. All factories shall cease work on holidays designated by the laws or orders of the National Government.

ARTICLE 17. All laborers who work continuously for a fixed period shall be allowed a special holiday which shall be based on the following scale:—

- (1) All laborers who have worked continuously for more than one year but less than three years, shall be allowed a holiday period of seven days each year;
- (2) All laborers who have worked continuously for more than three years but less than five years, shall be allowed a holiday period of ten days per year;



- (3) All laborers who have worked continuously for more than five years but less than ten years, shall be allowed a holiday period of fourteen days a year;
- (4) All laborers who have worked continuously for more than ten years shall have an additional day for each additional year added to his holiday period, but the total number of rest days shall not exceed thirty.

ARTICLE 18. All laborers shall be paid their regular wages for the holidays and rest periods provided in Articles 15, 16 and 17.

In cases where the laborers do not wish to enjoy the special holiday to which they are entitled, their wages for the said period shall be doubled.

ARTICLE 19. Where military establishments or public utility works are concerned, the Proper Authorities may refuse to grant holiday periods whenever they deem such action necessary.

## Chapter V

### WAGES

ARTICLE 20. Minimum wages of the laborers shall be determined in accordance with the living conditions prevalent in the various localities in which the factories are established.

ARTICLE 21. Wages shall be paid to the laborers in full legal tender of the localities where the factories are situated.

ARTICLE 22. Regular wages based either on the time-rate or the piece-rate shall be paid to the workers at least twice a month. Wages shall be paid on fixed dates.

ARTICLE 23. Whenever an extension of working hours is made in accordance with Article 10 or Article 19, the laborers' wages shall be increased from one-third to two-thirds of their regular wages calculated on an hourly basis.

ARTICLE 24. Male and female laborers of the same occupation and of equal efficiency shall receive equal wages.

ARTICLE 25. Factories shall not deduct in advance the wages of the laborers as security for penalties for breach of contract or as indemnity for damages.

## Chapter VI

### TERMINATION OF WORKING CONTRACTS

ARTICLE 26. Contracts entered into for a stipulated period of time may upon expiration be renewed only by mutual agreement.

ARTICLE 27. In cases where the contract has no stipulation as to its term, the factory may cancel the same only by serving on the laborers a notice in advance. The time allowed by the notice shall be based upon the following scale, but this provision shall not apply to contracts which have stipulations concerning the manner of termination:—

- (1) Ten days' advance notice to laborers who have worked in the factory for more than three months but less than one year;
- (2) Twenty days' advance notice to laborers who have worked for more than one year but less than three years;

- (3) Thirty days' advance notice to laborers who have worked for more than three years.

**ARTICLE 28.** Laborers who have received notices of dismissal may ask for a leave of absence in order to apply for other jobs, but said leave of absence shall not exceed two working days a week. Wages during the said period shall be paid to said laborers.

**ARTICLE 29.** Factories which terminate the working contract in conformity with the provisions of Article 27 shall pay the laborers, in addition to their regular wages, half of the wages due for the period of notification as stipulated in the said Article. Failing to comply with the provisions of Article 27, the factories which desire summary termination of the working contract, shall pay to the laborers the entire wages for the period of notification as stipulated in the said Article.

**ARTICLE 30.** Factories may terminate the employment agreements with their laborers under any one of the following conditions, but must serve previous notices on them in accordance with the provisions of Article 27:—

- (1) When a factory totally or partially suspends operations;
- (2) When a factory either through natural disasters or the force of unforeseen circumstances, is obliged to suspend operations for a period of over one month;
- (3) When a laborer is incapable of performing his work.

**ARTICLE 31.** Factories may terminate the employment agreements with their laborers without serving on them any previous notice under any one of the following conditions:—

- (1) When a laborer repeatedly violates the factory's regulations;
- (2) When a laborer fails to report for work without good cause for over three consecutive days or for over six days within one month.

**ARTICLE 32.** Laborers may terminate their working contracts by serving on the factories a notice of one week, in case said contracts have no stipulation as to the term thereof.

**ARTICLE 33.** Under any one of the following conditions the laborers may terminate their contracts with the factories without serving on the latter any previous notice:—

- (1) When a factory violates the terms of the working contract or any important provisions of the Government's labor laws;
- (2) When a factory fails to pay the wages at the proper time without just cause.
- (3) When a factory maltreats the laborers.

**ARTICLE 34.** Disputes arising from the interpretations and applications of paragraph 3 of Article 30, paragraph 1 of Article 31 and Article 33 may be referred to the Factory Council for settlement.

**ARTICLE 35.** Upon termination of the working contract, the laborers may request the factory to issue them certificates of work. But this stipulation shall not be applicable in cases where the laborers summarily terminate their contract without conforming with the provisions of Article 32, or in cases where the contracts are terminated in accordance with any one of the conditions mentioned in Article 31. The certificates of work shall contain the following particulars:—

- (1) The laborers' name in full, sex, age, native-place and address;
- (2) The kind of work engaged in by the laborer;
- (3) The period of time during which the laborer was employed by the factory and his record.

## Chapter VII

## LABORERS' WELFARE

ARTICLE 36. All factories shall provide supplementary education for the child laborers and apprentices, and shall be responsible for all the expenses incurred thereof. Such supplementary education shall not be less than ten hours a week. For other laborers who have no opportunity for education, the factories shall also establish within their means educational facilities. The time for conducting the above-mentioned education shall be arranged outside of the working hours.

ARTICLE 37. Female laborers shall be given leave with full wages before and after child-birth, amounting altogether to eight weeks in duration.

ARTICLE 38. Factories shall within the means of possibility assist the laborers in establishing workers' savings and co-operative societies, etc.

ARTICLE 39. Factories shall within the means of possibility erect workers' houses and promote proper amusements for their laborers.

ARTICLE 40. At the end of each fiscal year, after due appropriations have been made for dividends and reserve funds, the factory shall give those laborers who have no demerits during the year, either a reward or a share of the remaining profits.

## Chapter VIII

## SAFETY AND SANITATION

ARTICLE 41. All factories shall take the following safety precautions:—

- (1) Safety precautions against risks of personal injury to the laborers;
- (2) Safety precautions regarding the structure of the factory;
- (3) Precautions regarding the proper installation of machines;
- (4) Precautions for the prevention of fire and floods;

ARTICLE 42. All factories shall have the following sanitary provisions:—

- (1) Provisions for good ventilation;
- (2) Provisions for pure drinks;
- (3) Provisions for lavatories and toilet facilities;
- (4) Provisions for light;
- (5) Provisions for poison prevention.

ARTICLE 43. All factories shall give their laborers safety education.

ARTICLE 44. Whenever the safety or sanitary provisions of a factory are found inadequate, the Proper Authorities may require improvement within a definite period of time, and in case of necessity may also forbid the use of any part of the factory.

## Chapter IX

## LABORERS' COMPENSATION AND PENSIONS

ARTICLE 45. Pending the enforcement of Workers' Insurance Law, the factory shall pay to the laborers who are injured or killed in the performance of their duty all medical expenses and a sum based on the following scale. If,

however, the capital of the factory is less than fifty thousand dollars, the factory may petition the Proper Authorities to reduce the sums to be paid.

- (1) For laborers temporarily incapacitated, the factory shall, besides bearing the medical expenses, pay them each day a sum amounting to two-thirds of their regular wage for a period of not more than six months. Upon the expiration of this said period, the factory may reduce the amount of compensation to half of the laborers' average wage for a period of not more than one year;
- (2) For workers permanently disabled in the performance of their duty, the factory shall pay a sum commensurate with the extent of the disablement. Such compensation, however, shall under no circumstances exceed three years' regular wages, or be less than one year's wages;
- (3) For laborers killed in the course of their employment, the factory shall, besides paying a sum of fifty dollars as funeral expenses, pay to the legal heirs, a sum of three hundred dollars, plus two years' regular wages. The regular wage mentioned above shall be based upon the laborers' average wage during the last three months of their employment. Funeral expenses and pensions shall be paid at one and the same time, but compensation for injuries or sickness or disablement may be paid at regular intervals.

ARTICLE 46. Pensions provided for in the previous Article shall be paid to the wife or husband of the deceased laborer. Should the deceased leave no wife or husband, the pension, unless otherwise provided in the will of the deceased, shall be paid in accordance with the following order:—

- (1) Children
- (2) Parents
- (3) Grandchildren
- (4) Brothers and sisters

ARTICLE 47. Whenever a laborer urgently needs money on occasions of marriage or death, he may request the factory to advance him a sum not exceeding one month's wages, or the whole or a part of his savings.

ARTICLE 48. Should any accident occur resulting in the death or grave injury to a laborer, the factory shall, within five days, report its occurrence and the consequent measures taken to the Proper Authorities.

## Chapter X

### FACTORY COUNCIL

ARTICLE 49. The Factory Council shall be composed of an equal number of representatives from both the factory and the laborers.

The factory representatives on the Factory Council shall be selected from those who are familiar with the conditions of the factory and the conditions of the laborers.

The election of laborers' representatives shall be reported to and supervised by the representatives of the Proper Authorities.

ARTICLE 50. The duties of the Factory Council shall be as follows:—

- (1) To study the improvement of working efficiency;
- (2) To improve the relations between the factory and the laborers, and to settle disputes between them;
- (3) To cooperate in carrying out the collective agreement, the working contract and the regulations of the factory;

- (4) To cooperate in discussing methods of extending the working day;
- (5) To improve the safety and sanitary conditions of the factory;
- (6) To submit proposals for the improvement of factory conditions;
- (7) To plan welfare enterprises for the laborers.

ARTICLE 51. Matters referred to in the previous Article and concerning one workshop only shall first be referred to the representatives of the workshop in question and the factory for settlement.

Should the representatives fail to effect a solution or should the matter concern two or more workshops, then the dispute shall be submitted to the Factory Council for settlement. Should the Council fail to effect a solution, then the dispute shall be settled in accordance with the Law for the Settlement of Disputes Between Capital and Labor.

ARTICLE 52. Laborers above sixteen years of age shall have the right to vote for the laborers' representatives on the Factory Council.

ARTICLE 53. Laborers who are of Chinese nationality, above twenty years of age and have worked in the factory for more than six months shall have the right to be elected as laborers' representatives.

ARTICLE 54. The number of representatives for either the factory or the laborers shall be limited to from three to nine.

ARTICLE 55. The chairman of the Factory Council shall be elected alternatively by the factory representatives and the laborers' representatives. The Factory Council shall have one regular meeting each month, but in case of necessity may call special meetings. The quorum of the Factory meetings shall consist of a majority of the total representatives elected by the laborers and by the factory, and the decisions of the Factory Council shall become effective on a vote of two-thirds of the members present.

## Chapter XI

### APPRENTICES

ARTICLE 56. Factories taking apprentices shall first conclude contracts with them or their legal representatives. The contract shall be made in triplicate, one copy for each of the contracting parties and one to be submitted to the Proper Authorities for registration. The contract shall contain the following articles:—

- (1) The name, sex, age, native-place and address of the apprentice;
- (2) The kind of trade the apprentice is to follow;
- (3) The date on which the contract is made and its duration;
- (4) Mutual obligations. Should the apprentice be required to pay tuition, the amount and time for payment shall be stipulated. Where the contract of apprenticeship provides remuneration for the apprentice's service, the amount and time of payment shall likewise be stipulated. The above contract shall not restrict the apprentice's freedom to work upon the expiration of the apprenticeship.

ARTICLE 57. Neither male nor female persons below the age of thirteen shall be engaged as apprentices, excepting those who were already engaged as apprentices prior to the enforcement of this Law.

ARTICLE 58. The hours of training for apprentices shall be governed by the provisions of Chapter III of this Law.

ARTICLE 59. Except for purposes of practice, apprentices shall not be engaged in any of the occupations enumerated in Article 7.

**ARTICLE 60.** Apprentices shall be diligent, obedient and loyal towards the officers and masters of the factory.

**ARTICLE 61.** During the whole term of apprenticeship, the apprentices shall be supplied with board, lodging and medical care by the factory, in addition to a proper allowance for incidentals each month. The amount of this allowance shall be fixed by the Proper Authorities in accordance with the economic conditions of the locality and the standing of the factory, and with the approval of the Ministry of Industry.

**ARTICLE 62.** Except in cases of great necessity, no apprentices shall leave the factory during the period of apprenticeship; otherwise the apprentice or his legal representative shall refund the board, lodging and medical expenses incurred by the factory during the period of apprenticeship already served.

**ARTICLE 63.** The total number of apprentices taken by a factory shall not exceed one-third of its regular workers.

**ARTICLE 64.** Should a factory take more apprentices than it can adequately train, the Proper Authorities may order a partial reduction, and also set a limit to the number of apprentices the factory may thereafter take.

**ARTICLE 65.** During the period of apprenticeship the factory shall to the best of its ability train the apprentices for the trade specified in the contract of apprenticeship.

**ARTICLE 66.** In addition to the provisions of Article 31, the factory may terminate the contract of apprenticeship under any one of the following conditions:—

- (1) When the apprentice revolts against proper instructions;
- (2) When the apprentice commits theft and fails to repent, in spite of repeated admonitions.

**ARTICLE 67.** In addition to the provisions of Article 33, the apprentice or his legal representative may terminate the contract of apprenticeship under any one of the following conditions:—

- (1) When the factory is incapable of performing its obligations stipulated in the contract;
- (2) When a factory becomes dangerous to the life and health of the apprentice or harmful to his character.

## Chapter XII

### PENALTIES

**ARTICLE 68.** Factories, violating the provisions of Article 7, 11, 12 and 13, shall be fined a sum of not less than one hundred and not more than five hundred dollars for each offence.

**ARTICLE 69.** Factories, violating the provisions of Articles 5, 8, 9, 10, 37 and 63, shall be fined a sum of not less than fifty and not more than three hundred dollars for each offence.

**ARTICLE 70.** Factories, violating the provisions of Article 45, shall be fined a sum of not less than fifty and not more than two hundred dollars for each offence.

**ARTICLE 71.** Factories, violating the provisions of Articles 3, 4, 14, 15, 16, 17, 18, 19 and 36, shall be fined a sum of not more than one hundred dollars for each offence.

ARTICLE 72. When a factory foreman, due to disloyal conduct or negligence, causes thereby an accident or the extension thereof, he shall be punished with imprisonment for a period of not more than one year, or with a fine of not more than five hundred dollars.

ARTICLE 73. Any laborer who obstructs the operation of the factory or destroys the goods or equipment of the factory by violence, shall be punished in accordance with Law.

ARTICLE 74. A laborer who by duress compels other workers to strike, shall be dealt with in accordance with Law.

Chapter XIII

ADDENDA

ARTICLE 75. The compilation or alteration of factory regulations shall be submitted to the Proper Authorities for approval and promulgation.

ARTICLE 76. Regulations for the enforcement of this Law shall be issued separately.

ARTICLE 77. This Law shall come into force on and from the day of promulgation.

## II. CHRONOLOGY OF IMPORTANT LABOR EVENTS IN CHINA

---

- 1911 Chinese Revolution began in Wuchang, Hupeh; first Socialist paper, the *Socialist Star*, made its appearance;
- 1913 First modern strikes in China reported;
- 1917 November, Bureau of Overseas Workers established; Commencement of the so-called Literary Renaissance; 900 Chinese laborers and 17 Japanese killed in the Fushan mine explosion; Great Britain began to recruit Chinese workers in Tsinan, Chowtsun and Tsingtao for employment in World War; Russian Revolution began;
- 1918 About 140,000 Chinese coolies despatched to Europe;
- 1919 Student Movement began in Peking; Anti-Japanese boycotts appeared; Communist International organized in Moscow;
- 1920 May 1, Labor Day, first observed in Peking and Canton; Chinese Communist Party organized in Shanghai; Hongkong mechanics' strike, about 9,000 workers took part; Hankow ricksha-pullers' union, first of its kind, organized;
- 1921 Red International of Labor Unions formed; Hunan miners' strike; secured conditions of treatment that even surpassed those of the Western miners; Wave of strikes in Japanese-owned mills in Shanghai and Tsingtao;
- 1922 Hongkong seamen's strike took place, January 13 to March 5; 65,000 workers affected; May 1, First National Labor Conference held in Canton with 162 delegates representing 200 unions in China; September 15-18, Ping-Hsiang miners' strike took place, involving about 20,000 workers; December 15-27, Chengting-Taiyuan Railway workers' strike; Hupeh Provincial Labor Federation had by this time about 24 unions affiliated with it, and had over 400,000 workers as members; in Shanghai some 47 unions with 80,000 laborers were organized this year; Canton-Hankow Railway Workers' Federation formed with union branches at Wuchang, Yochow, etc;
- 1923 February 1-11, Chengchow labor convention suppressed by Wu Pei-fu's troops; general strike declared by the Peking-Hankow Railway workers, affecting about 20,000 men; June 22, Shanghai International Settlement Child Labor Commission appointed; Promulgation of the Provisional Factory Regulations by the Peking Government; Michael Borodin reached Canton as representative of Rosta News Agency;
- 1924 January, Kuomintang First National Congress held; Communists admitted into the Nationalist Party; marked revival of labor agitations; February 7, All China Railwaymen's Union revived in Canton; Labor Day demonstration held in Shanghai, led by Wong Ching-wei,



- Dame Adelaide Anderson and Bunji Suzuki of the Japan Labor Federation;  
 September, merchants in Canton staged an unsuccessful anti-Communist *coup d'etat*;  
 Pierre Henry of the International Labour Office visited China and Japan;  
 November, Dr. Sun Yat-sen as head of the Nationalist Government in Canton promulgated the Trade Union Regulations which legalized labor unions;
- 1925 March 12, Dr. Sun Yat-sen died;  
 Important Post Office strike took place in Shanghai;  
 May 1-7, Second National Labor Conference held in Canton with 230 delegates representing 570,000 organized laborers;  
 All-China Labor Federation formed, and decision reached to affiliate with Red International of Labor Unions;  
 May 30th Incident (caused by the killing of a Chinese laborer in one of the Naiga Wata Kaisha Mills in Shanghai) took place;  
 June, Shanghai General Labor Federation established;  
 June 11, Shooting of coolies by British marines at Hankow;  
 June 13, Incident at Kiukiang;  
 June 23, Shameen Incident;  
 June 23, 1925 to October 10, 1926, Canton-Hongkong boycott and general strike, about 80,000 workers participated;
- 1926 May 1-12, Third National Labor Conference held in Canton with 400 delegates present;  
 June, Colonel L'Estrange Malone of the British Independent Labor Party visited China;  
 July 9, inauguration of the Northern Expedition;  
 August 1, quarrel started between the Right and the Left wings of organized labor in Canton;  
 Canton Government promulgated regulations governing settlement of disputes among laborers and prohibited the use of armed weapons by laborers;  
 August 1-9, Canton Post Office employees' strike;  
 September 23, Political Council of Canton decided to stop Canton-Hongkong general boycott;  
 December 15, Bureau of Public Safety at Canton began to adopt a repressive policy in dealing with labor troubles. Labor unions were forbidden to make arrests; workers were not allowed to close up or seal factories and shops; workers could not take any property of the employers by force. This attitude on the part of the authorities was openly denounced by the Shanghai General Labor Federation.  
 Second Kuomintang National Congress held in Canton;
- 1927 February 19-22, first general strike in Shanghai in order to help Northern Expedition, about 65,000 men affected;  
 March 21, second general strike declared in Shanghai, about 112,000 workers affected;  
 April 12, Kuomintang split with the Communist Party and suppression of Communists began in Canton; Shanghai General Labor Federation closed by order of General Chiang Kai-shih;  
 April 13, Unification Committee for Shanghai labor unions formed;  
 International Labor Delegation composed of Tom Mann from England, Jacques Doriot from France, Earl Browder from America, one Indian, two Javanese and a few Japanese visited Central China;  
 April 15, Nanking Government established to purify Kuomintang of Red elements;  
 May 20, First Pan-Pacific Trade Union Conference held at Hankow;

- Pan-Pacific Trade Union Secretariat created;  
 June 19-30, Fourth National Labor Conference held at Hankow;  
 July, Michael Borodin left China;  
 December 11, Communist *coup d'etat* at Canton;
- 1928 June 3, Nationalists captured Peking;  
 June 9, Nationalist Government promulgated regulations governing labor conciliation and arbitration;  
 October 2-6, Shanghai Post Office strike, affecting 2,000 workers;  
 In November and December, Albert Thomas, director of the International Labor Office, visited China;  
 All labor unions in Wuhan were dissolved by Kwangsi militarists;
- 1929 March 15-28, Third Kuomintang Congress took place in Nanking;  
 May, for the first time China sent a complete delegation to the twelfth May, for the first time China sent a complete delegation to the International Labor Conference (twelfth session);  
 China also participated in the thirteenth session of the International Labor Conference (main question taken up related to treatment of seamen);  
 August 1, second Pan-Pacific Trade Union Conference held at Harborovsk;  
 August 26, first Soviet conference held in Tingchow, Fukien; over 400 delegates representing 30 Red districts participated, and formed a committee for the inauguration of the Provisional Government of the Soviet Republic of China;  
 October 21, Labor Union Law promulgated by the National Government;  
 November 1, enforcement of Labor Union Law began;  
 December 17, Hankow anti-Japanese strike and boycott, caused by the killing of a Chinese ricksha coolie by a Japanese marine motorcyclist; strike formally declared on January 9, 1929;  
 December 30, Factory Law promulgated by the National Government;
- 1930 May 30, second Soviet conference held in Shanghai; over 70 delegates attended, and a labor code and a land law for Soviet districts of China adopted;  
 June, fourteenth session of International Labor Conference held;  
 July, China branch of International Labor Office established in Nanking;  
 October 28, Law of Collective Agreements promulgated;  
 December 16, Regulations for the Application of the Factory Law promulgated;
- 1931 February 10, Factory Inspection Law promulgated;  
 June, fifteenth session of the International Labor Conference held;  
 August 1, enforcement of Factory Law began;  
 November 7, First Soviet Congress of Chinese Communist Party held in Kiangsi, and Provisional Government of the Soviet Republic of China formed;  
 December 16, Labor Union Law revised;  
 December 18, Regulations for the registration of factories in China issued by the Ministry of Industry;
- 1932 April 12-30, sixteenth session of International Labor Conference held;  
 July 25, All-China Postal Employees' Union meeting held in Nanking;  
 September 2, Regulations for the Employment of Factory Inspectors issued by the Ministry of Industry;  
 September 27, Law for the Settlement of Disputes between Capital and Labor revised;  
 December 30, Revised Factory Law and Revised Regulations for the Application of the Factory Law made public by the National Government of China.

### III. MATERIALS FOR THE STUDY OF LABOR PROBLEMS IN CHINA

The following is not intended to be a comprehensive bibliography on labor conditions and problems in China, but contains only those materials which have been consulted in the writing of this book. For a bibliography in Chinese the reader is referred to the author's 今日中國勞工問題 published by the Association Press, Shanghai.

#### A. Books, monographs and pamphlets

- Allman, N. F. and Lowe Chuan-hua: *An English Translation of the Factory Law of the National Government of China*, together with the Original Chinese Text, China Weekly Review, Shanghai, 1930.
- Anderson, Adelaide Mary: *Humanity and Labor in China*, Student Christian Movement, London, 1928.
- Arnold, Julean: *A Commercial and Industrial Handbook of China*, U. S. Department of Commerce, Washington, D. C., 1920.  
*Some Bigger Issues in China's Problems*, Commercial Press, Ltd. Shanghai, 1928.  
*China Through the American Window*, American Chamber of Commerce Shanghai, 1932.
- British Economic Mission to the Far East: *Report of the British Economic Mission to the Far East, 1930-31*, H. M. Stationery Office, London, 1931.  
*Report of the Cotton Mission of the British Economic Mission, 1930-31*, H. M. Stationery Office, London, 1931.
- Buck, John Lossing: *An Economic and Social Survey of 150 Farms in Yenshan County, Chili Province*, College of Agriculture, University of Nanking, Nanking, 1929.  
*Chinese Farm Economy* Commercial Press, Ltd., Shanghai, 1930.
- Bureau of Railway Statistics: *Statistics of Chinese National Railways*, Ministry of Railways, Nanking, 1931.
- Bureau of Social Affairs of the Municipality of Greater Shanghai:  
*Annual Report on Labor Strikes in Greater Shanghai, 1928*, Bureau of Social Affairs, Shanghai.  
*Annual Report on Labor Strikes in Greater 1929*. Bureau of Social Affairs, Shanghai.  
*Annual Report of Labor Strikes in Greater Shanghai, 1930*, Commercial Press, Ltd., Shanghai.  
*Report on Industrial Disputes in Greater Shanghai, July to December 1928*, Bureau of Social Affairs, Shanghai.  
*The Cost of Living Index Numbers of Laborers*, Chung Hwa Book Company, Shanghai, 1932.  
*Industrial Disputes in Greater Shanghai, 1930*, Chung Hwa Book Company, Shanghai, 1932.
- Bureau of Testing and Inspection of Commercial Commodities: *History of China's Sericultural Industry*, Shanghai Bureau of Testing and Inspection of Commercial Commodities, Shanghai, 1930.
- Burgess, J. Stewart: *The Guilds of Peking*, Columbia University Press, New York City, 1928.
- Burns, C. Delisle: *The Standard of Living in China and Japan*, Royal Institute of International Affairs, London, 1931.
- Campbell, Persia Crawford: *Chinese Coolie Emigration to Countries within the British Empire*, P. S. King and Son, Ltd., London, 1923.

- Chamberlain, J. P.: *Foreign Flags in China's Internal Navigation*, American Council of the Institute of Pacific Relations, New York, 1931.
- Chang Kia-ngau: *Report of the Bank of China 1932*, Bank of China Shanghai, 1933.
- Chapman, H. O.: *The Chinese Revolution, 1926-27*, Constable and Company, London, 1928.
- Chen, Chang-heng: *Changes in the Growth of China's Population*, Bureau of Industrial and Commercial Information, Shanghai, 1930.
- Chen, Gedeon: "The Y.W.C.A. and the Chinese Labor Movement" in *A Study of the Y.W.C.A. of China, 1891-1930*, Y.W.C.A. National Committee, Shanghai, 1930.
- Chen, Ta: *Analysis of Strikes in China, 1918-1926*, Bureau of Economic Information, Shanghai, 1927.  
 "The Labor Movement in China" in *Problems of the Pacific 1927*, The University of Chicago Press, Chicago.  
*Chinese Migration with Special Reference to Labor Conditions*, U. S. Bureau of Labor Statistics. Washington, D. C., 1923.  
*A Study of the Applicability of the Factory Act of the Chinese Government*, China Institute of Scientific Management, Shanghai, 1931.
- China Forum: *Five Years of Kuomintang Reaction*, China Forum, Shanghai, 1932.
- Chu, C. C. and Blaisdell, T. C.: *The Rug Industry in Peking*, Chinese Social and Political Science Association, Peking, 1924.
- Clark, Grover: *Economic Rivalries in China*, Yale University Press, New Haven, 1932.
- Coolidge, M. R.: *Chinese Immigration*, Henry Holt and Co., New York.
- Condliffe, J. B.: *China Today: Economic*, World Peace Foundation, Boston, 1932.
- Chung, Helen and Bagwell, May: *Women in Industry in the Chapei, Hongkew and Pootung Districts of Shanghai*, Y.W.C.A. National Committee, Shanghai, 1931.
- Dolsen, James H.: *The Awakening of China*, Daily Worker Publishing Company, Chicago, 1926.
- Eddy, G. Sherwood: *The New World of Labor*, George H. Doran Company, New York City, 1923.
- Fang, Fu-an: *Chinese Labour*, Kelly and Walsh, Ltd., Shanghai, 1931.
- Fong, H. D.: *China's Industrialization, A Statistical Survey*, China Institute of Pacific Relations, Shanghai, 1931.  
*Hosiery Knitting in Tientsin*, Nankai University Committee on Social and Economic Research, Nankai University, Tientsin, 1930.  
*Rayon and Cotton Weaving in Tientsin*, Nankai University Committee on Social and Economic Research, Tientsin, 1930.
- Foreign Policy Association: *The Rise of the Kuomintang*, Foreign Policy Association, New York City, 1928.
- Gamble, S. D.: *Peking, A Social Survey*, George H. Doran Company, New York City, 1921.  
*Peking Wages*, Department of Sociology, Yenching University, Peiping, 1929.
- Harada, Shuichi: *Labor Conditions in Japan*, Columbia University Press, New York, 1928.

- H. M. Colonial Secretary: *The Mui-Tsai Question, Papers relative to the Problem in Hongkong*, H. M. Stationary office, London.
- Ho, Franklin: *The Extent and Effects of Industrialization in China*, Nankai Committee on Social and Economic Research, Nankai University, Tientsin, 1929.  
 "Industries in China" in *A Symposium on Chinese Culture*, edited by Sophia Chen Zen and published by the China Institute of Pacific Relations, Shanghai; 1931.  
*Population Movement to the Northeastern Frontier of China*, China Institute of Pacific Relations, Shanghai, 1931.
- Holcomb, A. N.: *The Chinese Revolution*, Harvard University Press, Cambridge, 1930.  
*The Spirit of the Chinese Revolution*, Knopf, New York, 1930.
- Hsia, C. L. and Chow, James: *An English Translation of the Civil Code of the Republic of China*, Kelly and Walsh, Ltd., Shanghai, 1931.
- International Labour Office: *Freedom of Association*, Vol. V. (China), International Labour Office, Geneva, 1930.  
*Some Labor Problems in Pacific Dependencies*, Institute of Pacific Relations, Honolulu, 1931.  
*Migration in the Pacific Area*, Institute of Pacific Relations, Honolulu, 1931.  
*Possibilities and Limitations of International Comparisons of the Cost of Living and Family Budgets*, Institute of Pacific Relations, Honolulu, 1931.
- Institute of Pacific Relations: "Industrialization in the Far East," in the *Report of the Institute of Pacific Relations 1925*, Institute of Pacific Relations, Honolulu.  
*Syllabus for International Economic Relations in the Pacific*, Institute of Pacific Relations, Honolulu, 1931.
- Itani, Zenichi: *The Export of Japanese Capital to China*, Japan Council of the Institute of Pacific Relations, Tokyo, 1931.
- King, F. H.: *Farmers of Forty Centuries*, Harcourt Brace, New York, 1926.
- Kingman, Mary and Thorburn, Helen: "China Labor and the Church" in the *China Mission Year Book*, 1925, Presbyterian Press, Shanghai.
- Koo, Ping-yuen: *China's Labor Laws 1929-1931*, Chinese Text with English Translation, Commercial Press, Ltd., Shanghai, 1931.
- Lai Tsi-wei: *Statistical Survey of Taxation in Peiping, 1912-1930*, Institute of Social Research, Peiping, 1932.
- Lamb, J. H. D.: *The Origin and Development of Social Legislation in China*, Department of Sociology, Yenching University, Peiping, 1930.  
*Development of Agrarian Movement and Agrarian Legislation in China*, Department of Sociology and Social Work, Yenching University, Peiping, 1931.
- Lamson, H. D.: *A Survey of 101 Servants and Employees at Shanghai College*, Department of Sociology, Shagnhai College, Shanghai.
- Lee, Y. L.: *Some Aspects of the Labor Situation in Canton*, Canton Y.M.C.A., Canton, 1928.
- Lieu, D. K.: *China's Finance and Industries*, Bureau of Economic Information, Shanghai, 1927.  
 "China's Industrial Development", in *Problems of the Pacific 1927*, University of Chicago Press, Chicago; 1928.  
*Statistical Work in China*, printed for the 19th Session of the International Institute of Statistics, Tokyo, 1927.

- The 1912 Census of China*, printed for the 20th Session of the International Institute of Statistics, Madrid, 1928.  
*Foreign Investments in China*, China Institute of Pacific Relations, Shanghai; 1931.
- Lieu, D. K. and King, S. T.: *China's Cotton Industry*, printed for the Third Biennial Conference of the Institute of Pacific Relations, Kyoto, 1929.
- Lin, S. H.: *Factory Workers in Tangku*, Institute of Social Research, Peiping, 1928.
- Lo, R. Y.: *China's Revolution from Within*, Abingdon Press, New York City, 1930.
- Lowe Chuan-hua: *China's Labor Movement*, Bureau of Industrial and Commercial Information, Shanghai, 1930.
- Macleay, Ronald: *Papers Respecting Labor Conditions in China*, H. M. Stationery Office, London, 1927.
- MacNair, H. F. and Morse, H. B.: *Far Eastern International Relations*, Houghton Mifflin Company, New York, 1931.
- Malone, L'Estrange: *New China, Part II Labor Conditions and Organizations*, Independent Labor Party, London, 1927.
- Mallory, Walter H.: *China, Land of Famine*, American Geographical Society, New York, 1927.
- Ministry of Finance: *Reports for the 19th and 20th Fiscal Years of the Chinese Republic*, Ministry of Finance, Nanking; 1931 and 1932.
- Morse, H. B.: *Guilds of China*, Longmans Green Company, London, 1901.
- Nagano, Akira: *The Development of Capitalism in China*, Japan Council of the Institute of Pacific Relations, Tokyo, 1931.
- National Christian Council: *Report of the Shanghai Child Labor Commission*, National Christian Council Industrial Department, Shanghai, 1924.  
*Report of the Conference on Christianizing Economic Relations, 1927*, National Christian Council, Shanghai; 1927.
- Nearing, Scott: *Whither China?* International Publishers, New York, 1928.
- Nelson, J. H.: *Changing Factors in the Economic Life of China*, U. S. Government Printing Office, Washington, D. C., 1925.
- Orchard, John E.: *Japan's Economic Position*, Whittlesey House, New York, 1930.
- Pan-Pacific Trade Union Conference: *Bulletin of Proceedings, 1927*, Pan-Pacific Trade Union Secretariat, Hankow; 1927.
- Remer, Carl F.: *Foreign Investments in China*, a Preliminary Paper prepared for the Fourth Biennial Conference of the Institute of Pacific Relations, Institute of Pacific Relations, Honolulu, 1931.  
*Readings in Economics for China*, Commercial Press, Ltd., Shanghai, 1922.  
*The Foreign Trade of China*, Commercial Press, Ltd., Shanghai, 1926.
- Shen, H. C.: "Labor Organizations and Their Attitude Toward Socialism" in *China Mission Year Book, 1925*, Presbyterian Mission Press, Shanghai, 1925.
- Sokolsky, George E.: *The Tinder Box of Asia*, Doubleday, Doran and Company, New York, 1932.
- Sun Yat-sen: *The International Development of China*, Putnam and Sons, New York, 1922.
- Tao, L. K.: *The Standard of Living Among Chinese Workers*, China Institute of Pacific Relations, Shanghai, 1931.

- Unemployment Among Intellectual Workers in China*, reprinted from the Chinese Social and Political Science Review, Peiping, 1929.  
*Livelihood in Peking*, Institute of Social Research, Peiping; 1928.  
 "Social Changes in China," in *Symposium on Chinese Culture*, edited by Sophia Chen Zen and published by the China Institute of Pacific Relations, Shanghai, 1931.
- Tao, L. K. and Yang, Simon: *A Study of the Standard of Living of Working Families in Shanghai*, Institute of Social Research, Peiping, 1931.
- Tang, Leang-li: *China in Revolt*, Noel Douglas, London, 1927.  
*The Foundations of Modern China*, Noel Douglas, London, 1927.  
*The Inner History of the Chinese Revolution*, George Routledge and Sons, London, 1930.
- Taylor, J. B.: *The Hopei Pottery Industry and the Problem of Modernization*, reprinted from the Chinese Social and Political Science Review, Peiping, 1930.  
 "The Public Attitude to Labour in China", in *China Mission Year Book 1926*, Presbyterian Mission Press, Shanghai;  
*Farm and Factory in China*, Student Christian Movement, London; 1928.
- Tawney, R. H.: *Land and Labour In China*, Harcourt, Brace and Company, New York, 1932.
- Thompson, Warren: *Some Reflections upon the Standard of Living and Rural Industry in China*, National Christian Council, Shanghai, 1931.
- Torgasheff, Boris P.: *Minimo Labor in China*, Bureau of Industrial and Commercial Information, Shanghai, 1930.
- Tso, Sheldon S. K.: *The Labor Movement in China*, Commercial Press, Ltd., Shanghai, 1928.
- Tyau, M. T. Z.: *China Awakened*, MacMillan Book Company, New York, 1922.  
*Two Years of Nationalist China*, Kelly and Walsh, Ltd., Shanghai; 1930.
- Unsigned: *Chinese Under British Rule in Malaya, Hongkong and Weihaiwei*, Royal Institute of International Affairs, London, 1931.
- Vinacke, H. M.: *Problems of Industrial Development in China*, Princeton University Press, Princeton, New Jersey, 1926.
- Weale, Putnam: *Why China Sees Red*, Dodd Mead, New York, 1925.
- Woo, T. C.: *The Kuomintang and the Future of the Chinese Republic*, Allen and Unwin, London, 1928.
- Wu, Leonard T. K.: *An Analysis of Labour Disputes in Hopei Province*, Institute of Social Research, Peiping, 1930.
- Yakhontoff, Victor A.: *Russia and the Soviet Union in the Far East*, Coward-McCann, Inc., New York, 1931.
- Y.W.C.A. National Borad: *Women in Industry in the Orient*, Woman's Press, New York.

### B. Year books and special references

- China Mission Year Book, 1919-1931, Kwang Hsueh Publishing House, Shanghai.
- China Year Book, 1926-1932, The North-China Daily News and Herald, Shanghai.
- Chinese Labor Year Book, First and Second Editions, Institute of Social Research, Peiping.
- Current Events' Year Book, 1930-1931, Current Events' Association, Nanking.

Shun Pao Year Book, 1933, Shun Pao Publishing Company, Shanghai.

World Almanac, 1933, The World Telegram, New York.

World Labor Problems in 1928 and 1929, League of Nations' Union, London.

Nankai Weekly Statistical Service, Committee on Social and Economic Research, Nankai University, Tientsin.

### C. Magazine and newspaper articles

#### 1. From the *China Critic*, Shanghai.

- Tso, S. K.: "The Causes of Unemployment in China," Vol. I, No. 10, Aug. 2, 1928;
- Kwong, Edward: "Overpopulation and Birth Control," Vol. I, No. 11, Aug. 9, 1928;
- Tso, S. K.: "Labor Responsibility in National Reconstruction," Vol. I, No. 13, Aug. 23, 1928;
- Editorial: "Shanghai Labor Statistics," Vol. I, No. 18, Sept. 27, 1928;
- Editorial: "Chinese Labor in the Philippines," Vol. II, No. 7, Feb. 14, 1929;
- Tso, S. K.: "A Solution of China's Labor Problems," Vol. II, No. 11, March 14, 1929;
- King, T.: "The Kuomintang Congress and Our Labor Problems," Vol. II, No. 15, April 11, 1929;
- Lieu, D. K.: "The Need of Industrial Development," Vol. II, No. 17, April 25, 1929;
- Lieu, T. M.: "The Trend of China's Foreign Trade for the Last Fifty Years," Vol. II, No. 18, May 2, 1929;
- Editorial: Mr. Albert Thomas and the Shanghai Press," Vol. II, No. 21, May 23, 1929;
- Editorial: "The International Labour Conference," Vol. II, No. 23, June 3, 1929;
- Howard, H. P.: "China's Population and the Present Census," Vol. II, No. 24, June 13, 1929;
- Editorial: "China and Labor Conference," Vol. II, No. 26, June 27, 1929;
- Tao, S. K.: "Labor Organization in 1928," Vol. II, No. 28, July 11, 1929;
- Lieu, D. K.: "Industrial Development and Capitalism," Vol. III, No. 5, Jan. 30, 1930;
- "Industrial Development and the Population Problem," Vol. III, No. 10, March 6, 1930;
- Editorial: "Unemployment Questions," Vol. III, No. 11, March 13, 1930;
- Shen, Chenan: "The Silk Problem," Vol. III, No. 16, Apr. 17, 1930;
- Unsigned: "Intended Legal Equalization of Chinese in the Dutch East Indies," Vol. III, No. 12, March 20, 1930;
- Editorial: "The High Cost of Living," Vol. III, No. 24, June 12, 1930;
- Editorial: "The Collapse of Factory Buildings," Vol. III, No. 26, June 26, 1930;
- Lamson, H. D.: "The Relation of Education to Family Size," Vol. III, No. 34, Aug. 21, 1930;
- Lieu, D. K.: "Statistical Work under the National Government," Vol. III, No. 48, Nov. 20, 1930;



- Editorial: "Foreign Capitalism and Chinese Industries," Vol. III, No. 36, Sept. 4, 1930;
- Editorial: "China and the Geneva Labor Conference," Vol. III, No. 36, Sept. 4, 1930;
- Editorial: "Social Work in Shanghai," Vol. III, No. 51, Dec. 18, 1930;
- Chen, Chang-heng: "300,000,000 or Over?" Vol. IV, No. 3, Jan. 15, 1931;
- "Outstanding Features in China's Population Problem," Vol. IV, No. 5, Jan. 29, 1931;
- Leibrand, Rose: "Women and Children First," Vol. IV, No. 9, Feb. 26, 1931;
- Torgasheff, Boris P.: "Man Power in Transportation," Vol. IV, No. 25; June 18, 1931;
- Li, H. K.: "China's Employment Outlook," Vol. IV, No. 26, June 25, 1931;
- Tsha, T. Y.: "Labor Organization in Shanghai," Vol. IV, No. 29, July 16, 1931;
- "Labor Legislation, Wages and Hours in Shanghai," Vol. IV, No. 30, July 23, 1931;
- "Cost of Living and Labor Unrest," Vol. IV, No. 31, July 30, 1931;
- Chang, Kai-ngau: "Some Economic Symptoms in China," Vol. V. No. 40, October 6, 1932.
- "Some Remedies for China's Economic Difficulties," Vol. V. No. 41, October 13, 1932.
- Hughes, A. J.: "Economic Development Essential to China's Welfare," Vol. VI, No. 16, April 20, 1933.
- Baker, John E.: "Transportation and Livelihood," Vol. VI, No. 17, April 27, 1933.
- Lowe Chuan-hua: "Factory Inspection as a Political Football," Vol. VI, No. 19, May 11, 1933.

2. From the *China Weekly Review*, Shanghai.

- Tong, Hollington K.: "China's Labor Problem Coming to the Fore," Vol. XIII, No. 6, July 10, 1920;
- Chen Ta: "The Labor Situation in China during 1920," Vol. XVI, No. 9, April 30, 1921;
- Tong, Hollington K.: "The Spread of the Strike Evil in China," Vol. XX, No. 3, March 18, 1922;
- Editorial: "Labor Problem Chief Interest of Chinese Women," Vol. XX, No. 3, March 18, 1922;
- Tong, Hollington K.: "Dr. Sun Yat-sen's View on Labor and Capital," Vol. XXIII, No. 2, Dec. 9, 1922;
- MacNair, H. F.: "The Chinese as Contract Laborers," Vol. XXIV, No. 13, May 26, 1923;
- Todd, C. J.: "Shanghai Child Labor Commission Report," Vol. XXIV, No. 8, July 26, 1924;
- Lee, B. Y.: "Real Causes Behind the Japanese Mill Strike," Vol. XXXI, No. 13, Feb. 28, 1925;
- Editorial: "Shanghai Child Labor and Civic Responsibility," Vol. XXXII, No. 6, April 11, 1925;
- Philip, Kerby: "Farmer and Worker in Canton," Vol. XXXII, No. 2, May 16, 1925;

- Lee, B. Y.: "Some Aspects of the Labor Situation in Canton," Vol. XLIII, No. 9, Jan. 28, 1928;
- Whang, Paul K.: "Last Year An Eventful One in the Silk Industry," Vol. XLIII, No. 12, Feb. 18, 1928;
- Ling, Tao and Johnson, Lydia: "Women and Girls in Tientsin Industries," Vol. XLIV, No. 9, April 28, 1928;
- Whang, Paul K.: "Developing the Silk Industry in Kiangsu," Vol. XLIV, No. 10, Nov. 3, 1928;
- Kung, H. H.: "New China's Industrial Program," Special China Issue, Oct. 10, 1928;
- Sun, Fo: "International Finance for the Industrial Development of China," Special China Issue, Oct. 10, 1928;
- Lee, B. Y.: "Recent Industrial Development in Shanghai," Special China Issue, October 10, 1928;
- Lieu, D. K.: "China's Foreign Trade and Her Industrial Development," Special China Issue, Oct. 10, 1928;
- J.A.J.: "Chinese Labor in Straits Settlement Beset with Difficulties," Vol. XLIV, No. 5, Sept. 29, 1928;
- Tung, S. A.: "The General Chamber of Commerce," Vol. XLVII, No. 3, Dec. 15, 1928;
- Lee, B. Y. "Modern Paper Manufacturing in Shanghai," Vol. XLVII, No. Feb. 9, 1929.  
 "Recent Development of Cotton Industry in Shanghai," Vol. XLVII, No. II,
- Hsu, David T. T.: "Features of China's Industrial Problems," Vol. XLVILL, No. 4, March 23, 1929;
- Binder, Gertrude: "Life of Shanghai Silk Filatures," Vol. XLVIII, No. 6, April 6, 1929;
- Lee, B. Y.: "The Passing Compradore System and Why," Vol. XLVIII, No. 8, April 20, 1929;
- Chen, Ven-tsoo: "Weaving and Village Life in Kiangsu," Vol. XLVIII, No. 10, May 4, 1929;
- Meng, C. Y. W.: "The Chinese Silk Industry, Its Defects and Remedies," Vol. XLIX, No. 1, June 1, 1929;
- Whang, Paul K.: "Testing Bureau and the Silk Industry," Vol. XLIX, No. 4, June 22, 1929;
- Torgasheff Boris P.: "The Cost of Living of China's Masses," Vol. XLIX, No. 7, July 13, 1929;
- Wood, E. C.: "Importance of Tung Oil in Industry," Vol. XLIX, No. 7, July 13, 1929;
- Whang, Paul K.: "Development of China's Shipping Industry," Vol. XLIX, No. 8, July 20, 1929;
- Torgaseff, Boris P.: "The Cost of Living of China's Masses," Vol. XLIX, No. 9, Aug. 3, 1929;
- Williams, Frank: "Chinese Cotton Mills Reported Prosperous," Vol. XLIX, No. 11, Aug. 10, 1929;
- Buchanan, R. E. and Miao, T. S.: "Programs of Sericulture Improvement in Central China," Vol. XLIX, No. 11, Aug. 10, 1929;
- Fang Fu-an: "The Problem of Woman and Child Labor in Shanghai," Vol. XLIX, No. 12, Aug. 17, 1929;

- "Kuomintang and Peasants," Vol. XLIX, No. 13, Aug. 31, 1929;  
 "Labor Unrest in China," Vol. L, No. 3, Sept. 21, 1929;  
 "Peiping Labor in 1929," Vol. L, No. 6, Oct. 12, 1929;  
 "Kuomintang and Labor," Vol. L, No. 5, Oct. 5, 1929;  
 "Rickshas in China," Vol. L, No. 8, Oct. 26, 1929;
- Editorial: "The Work of the Yangtzepoo Social Center," Vol. L, No. 12, No. 26, 1929;
- Stewart, Maxwell S.: "Slaves of Labor at Men-tou-kou," Vol. L, No. 12, No. 23, 1929;
- Editorial: "Ricksha Is Sign of Interior Labor Status," Vol. LI, No. 4, Dec. 28, 1929;
- Lamson, H. D.: "Industrial Accidents in China," Vol. LI, No. 7, Feb. 1, 1930;  
 "Industrial Accidents in China," Vol. LI, No. 9, Feb. 15, 1930;  
 "Industrial Accidents in China," Vol. LI, No. 10, Feb. 22, 1930;  
 "Industrial Accidents in China," Vol. LI, No. 12, March 8, 1930;
- Fang Fu-an: "Industry and Labor in Wusih," Vol. LI, No. 6, Jan. 11, 1930;
- Funatsu, T.: "Japanese Criticism of Kuomintang Labor Policies," Vol. LI, No. 7, Jan. 18, 1930;
- Whang, Paul K.: "Review of 1929 Silk Industry," Vol. LI, No. 10, Feb. 8, 1930;
- Editorial: "Riot Occurs at General Edison Factory," Vol. LI, No. 7, Jan. 18, 1930;
- Whang, Paul K.: "Effect of Silver Slump Upon Silk Industry," Vol. LII, No. 4, Mar. 22, 1930;
- Whang Paul K.: "Analysis Made of Labor Disputes in Hopei Province", Vol. LII, No. 6, Apr. 5, 1930;
- Cockrane, I. J.: "Chinese Cigarette Factory Demands Assistance," Vol. LI, No. 5, Jan. 14, 1930.  
 "Chinese Industrial Machinery Market," Vol. LII, No. 8, Apr. 19, 1930;
- Wong, Jennings: "Labor Unrest, Economic or Communistic," Vol. LIII, No. 1, June 7, 1930;
- Meng, C. Y. W.: "How to Solve Unemployment in China," Vol. LII, No. 2, June 14, 1930;
- Nankai Weekly Statistical Service: "Statistics on Industries in Hangchow, Vol. LIII, No. 5, July 5, 1930;
- Whang, Paul K.: "Labor Disputes in Wusih Silk Filatures," Vol. LIII, No. 6, July 12, 1930;
- Miao, T. S.: "Nanking Should be Asked to Help Silk Industry," Vol. LIV, No. 9, Nov. 1, 1930;
- Nagano, I.: "Chinese Labor in Manchuria", Vol. LIV, No. 10, Nov. 8, 1930.
- Editorial: "Cantonese in Control of Labor Movement in Shanghai," Vol. LIX, No. 5, January 2, 1932;
- Whang, Paul K.: "The Postal Workers' Strike," Vol. LXI, No. 1, June 4, 1932;
- Lee B. Y.: "Factory Inspection in the Shanghai International Settlement", Vol. LXV No. 6, April 8, 1933.

### 3. From the *Chinese Economic Journal*, Shanghai.

- Unsigned: "Strikes in Shanghai in 1926," Vol. I, No. 3, March, 1927;  
 Unsigned: "Strike Regulations in Canton," Vol. I, No. 3, March 1927;

- Unsigned: "Retail Prices in Peking," Vol. I, No. 4, April 1927;  
 Unsigned: "Cotton Mills in Shanghai," Vol. I, No. 4, April 1927;  
 Lieu, D. K.: "China's Industrial Development," Vol. I, No. 7, July 1927;  
 Unsigned: "Strikes in Shanghai in 1927," Vol. II, No. 4, April 1928;  
 Unsigned: "Cotton Mills in China," Vol. II, No. 4, April 1928;  
 Unsigned: "Industrial Workers in Mukden," Vol. II, No. 3, March 1928;  
 Unsigned: "How Chinese Towns Develop Village Industries," Vol. II, No. 1, January, 1928;  
 Unsigned "Silk Weaving Industries of Nanking," Vol. II, No. 2, Feb. 1928;  
 Unsigned: "Retail Prices in Peking", Vol. II, No. 2, Feb. 1928;  
     "Retail Prices in Peking," Vol. II, No. 5, May 1928;  
 Ho, F. L.: "Nankai Index Number of Commodity Price," Vol. II, No. 5, May 1928;  
 Unsigned: "Manufacturing Industries in North Manchuria," Vol. II, Nos. 4, 5 and 6, April, May and June 1928;  
 Unsigned: "Oil Mills in China," Vol. II, No. 6 June 1928;  
 Unsigned: "Flour Mills in China," Vol. II, No. 6, June 1928;  
 Unsigned: "Paper Manufacturers in Shanghai," Vol. II, No. 6, June 1928;  
 Tao, Ling and Johnson, Lydia: "Women and Girls in Tientsin Industries," Vol. II, No. 6, June 1928;  
 Unsigned: "Match Factories in China," Vol. III, No. 1, July 1928;  
 Unsigned: "Shanghai Silk Filatures," Vol. III, No. 1, Nov. 1928;  
 Mao, Chi-chun: "Unemployment Problem in Greater Shanghai," Vol. III, No. 5, May 1928;  
 Unsigned: "Proposed Factory Law," Vol. No. 3, March 1929;  
 Unsigned: "Labor Conditions in Canton," Vol. No. 6, June 1929;  
 Unsigned: "Labor Union Law," Vol. V, No. 5, November 1929;  
 Chang, B. T.: "Weaving and Knitting Mills in Hangchow," Vol. VI No. 1 January 1930.  
 Unsigned: "Retail Prices in Peking," Vol. VI, No. 2, February 1930;  
 Otte, Frederick: "Shipping in China and Chinese Shipping Abroad," Vol. VI, No. 2, February 1930;  
 Unsigned: "Retail Prices in Peking," Vol. VI, No. 3, March 1930;  
 Lowe Chuan-hua: "China's Labor Movement," Vol. VI, No. 5, May 1930;  
 Unsigned: "Labor Legislation in China," Vol. VI, No. 5, May 1930;  
 Fang Fu-an: "Strikes in Shanghai in 1928 and 1929," Vol. VI, No. 6, June 1930;  
 Unsigned: "Retail Prices in Peking," Vol. VI, No. 6, June 1930;  
 Fang Fu-an: "Rickshas in China," Vol. VII, No. 1, July 1930;  
     "Shanghai Labor," Vol. VII, No. 2, August 1930;  
     "Shanghai Labor," Vol. VII, No. 3, Sept. 1930;  
 Maxwell, Stewart and Fang Fu-an: "A Statistical Study of Industry and Labor in China," Vol. VII, No. 4 October 1930;  
 Unsigned: "Company Law of China," Vol. VII, Nos. 4, and 6, October, November and December 1930;

- Fang Fu-an: "Chinese Cotton Industry," VII No. 5, November, 1930;
- Lamson, H. D.: "The Standard of Living of Factory Workers," Vol. VII, No. 5, November 1930;
- Ma, C. F.: "Notes on China's Labor Population," Vol. VII, No. 5, November 1930.
- Unsigned: "Industrial Disputes in Shanghai, 1929," Vol. VIII, No. 2, Feb. 1931.
- Lamson, H. D.: "The People's Livelihood as Revealed by Family Budget Studies," Vol. VII, No. 5, May 1931.
- Unsigned: "Factory Legislation in China," Vol. IX, No. 1, July 1931.
- Unsigned: "Unemployment in China, Vol. IX, IX, No. 6, December, 1919.
- Lamson, H. D.: "The Problem of Housing for Workers in China," Vol. XI, No. 2, August, 1932.
- Ho, Ping-yin: "Industry and Commerce during 1932," Vol. XII, No. 1, Jan. 1933.
- Unsigned: "Amended Factory Law and Regulations," Vol. XII, No. 3, March, 1933.
- Unsigned: "Cost of Living Figures for Shanghai in 1932," Vol. XII, No. 4, April, 1933.

#### 4. From the *Chinese Nation*, Shanghai.

- Wong, Jennings: "Foreign Labor in China," Vol. 1, No. 2, June 25, 1930;
- Lee, B. Y.: "Cotton Mills in China," Vol. I, No. 2, June 25, 1930;
- "Development of Chinese Industry", Vol. I, No. 4, July 9, 1930;
- "Textile Trade in China," Vol. I, No. 6, July 23, 1930;
- Lowe Chuan-hua: "Chinese Seamen's Union," Vol. I, No. 9, Aug. 13, 1930;
- "The Problem of Earning A Living in China", Vol. I, No. 9, Aug. 13, 1930;
- Pao, C. A.: "China's Coastal and Inland Navigation," Vol. I, No. 10, Aug. 20, 1930;
- Lee, B. Y.: "Japanese Domination of China's Cotton Industry," Vol. I, No. 10, Aug. 20, 1930;
- Pao, C. A.: "Kuomintang's Labor Policy," Vol. I, No. 11, August 27, 1930;
- Wong, Jennings: "High Cost of Shanghai Municipal Council," Vol. I, No. 11, Aug. 27, 1930;
- Lee, B. Y.: "Shanghai, China's Largest Knitting Center," Vol. I, No. Sept. 3, 1930;
- Pao, C. A.: "Famine in China," Vol. I, No. 14, Sept. 17, 1930;
- Pao, C. A.: "Famine in China", Vol. I, No. No. 14, Sept 17, 1930;
- Lang, David: "Child Labor in Shanghai," Vol. I, No. 15, Sept. 24, 1930;
- Lee, B. Y. : "China's Match Industry," Vol. I, No. 19, Nov. 5 Oct. 22, 1930;
- Huang, Robert T.: "Foreign Corporations in China," Vol. I, No. 21, Nov. 5, 1930;
- Li, Tien-fu: "China's Silk Industry," Vol. I, 29, Dec. 31, 1930;
- Leibrand, Rose: "Industrial Shanghai," Vol. I, No. 27, Dec. 17, 1930;

#### 5. From the *International Labour Review*, Geneva.

- Thomas, Albert: "Origin, Development and Future of the International Labor Organization," Vol. I, January 1921;

- Unsigned: "The First Year of the International Labour Organization," Vol. I, January 1921;
- Unsigned: "The Growth of Trade Unionism in Various Countries," Vol. III July-August, 1921;
- Taylor, J. B. and Zung, W. T.: "Labor and Industry in China," Vol. VIII, July 1923;
- Unsigned: "Labor Conditions and Labor Regulation in China," Vol. X, December 1924;
- Anderson, Dame Adelaide: "Recommendations of the Shanghai Child Labor Commission," Vol. XI, May 1925;
- Unsigned: "Labor Conditions in China," Vol. XII, XII, November 1925;
- Henrie, P.: "Some Aspects of the Labor Problem in China," Vol. XV, Jan. 1927;
- Chen, Ta: "The Labor Movement in China," Vol. XV, March 1927;
- Unsigned: "The Twelfth Session of the International Labour Conference," Vol. XV, Nos. 3 and 4, March and April 1927;
- Unsigned: "The Thirteenth Session of the International Labour Conference," Vol. XXI, No. 1, January, 1930;
- Unsigned: "The Fifth Session of the International Labour Conference," Vol. VIII, No. 6, December 1923;
- Unsigned: "The Seventh Session of the International Labour Conference," Vol. XII, No. 2, August 1925;
- Unsigned: "The Eleventh Session of the International Labour Conference," Vol. XVIII, No. 2, August 1928;
- Chan, C. S.: "Social Legislation in China Under the Nationalist Government," Vol. XIX, No. 1, January 1929;
- Unsigned: "Working Conditions in Shanghai Cotton Mills," Vol. XX, No. 2, August 1929;
- Unsigned: "Labor Conditions in Wusih," Vol. XX, No. 5, November, 1929;
- Unsigned: "The Twelfth Session of the International Labour Conference," Vol. XX, No. 4, October, 1929;
- Unsigned: "The Thirteenth Session of the International Labour Conference," Vol. XXI, No. 1, January, 1930.
- Unsigned: "The Fourteenth Session of the International Labour Conference," Vol. XXII, No. 3, September 1930;
- Unsigned: "The Fifteenth Session of the International Labour Conference," Vol. XXIV, Nos. 2-3, August-September, 1931.
- Unsigned: "The Sixteenth Session of the International Labour Conference," Vol. XXVI, No. 2, August, 1932.

#### 6. From other periodicals.

- Burgess, J. S.: "Guilds and Trade Associations of China," *Annals of the American Academy of Political and Social Science*, Special China Number, November, 1930;
- Chen Ta: "Fundamentals of the Chinese Labor Movement," *Annals*, Special China Number, November 1930;
- Gamble, Sidney D.: "Peking Family Budgets," *Annals*, Special China Number, Nov. 1930;
- Mallory, Walter H.: "Famines in China," *Annals*, Special China Number, Nov. 1930;

- rice, Maurice T.: "Communist Policy and the Chinese Nationalist Revolution," *Annals*, Special China Number, November 1930;
- Samson, H. D.: "Birth Control in China," *China Medical Journal*, Nov. 1930;
- Shen Ta: "Adjustments Necessary For Factory Act," *China Press*, July 31, August 1 and 2, 1931;
- Song, Jennings: "Foreign Cooperation Necessary in Enforcing Factory Law," *China Press*, August 18, 1931;
- Snyder, J. B.: "Problem of Industrialization in China," *China Tomorrow*, Peiping, September 20, 1929;
- Stockwood, E. H.: "Labor Unions in Canton," *Chinese Recorder*, July, 1927;
- St. B. Condliffe: "Industrial Development in the Far East," *Chinese Social and Political Science Review*, July, 1928;
- Stockwood, E. H.: "China's New Style Labor Movement," *Christian Century*, August 11, 1927;
- Storza, Count: "Chinese Labor and Western Responsibilities," *Contemporary Review*, London, December 1928;
- Starr, John H.: "Slave Trading in China," *Contemporary Review*, Feb. 1930;
- Stow, Edgar: "The Bolshevik Influence in China," *Current History*, New York, January 1931;
- Sweetland, Reginald E.: "Banditry in a New Guise," *Current History*, January 1931;
- Stones, F.: "Among the Chinese Labour Corps," *East and West*, 1919;
- Stinson: "Chinese Labour Corps," *East and West*, Oct. 1920;
- 'P. B.': "Legislation of Kuomintang Government," *Eastern and Colonial*, Moscow, November 1929;
- Hayama: "Pan-Pacific Trade Union Conference," *Eastern and Colonial*, November 1929;
- Shlenko, V.: "Trade Union Movement in Mongolia," *Eastern and Colonial*, January-February, 1930;
- 'P. B.': "Fifth Congress of the All-China Federation of Labor", *Eastern and Colonial*, January-February, 1930;
- James, H. P.: "Industrial China," *Economic Geography*, Worcester, Mass., January 1929;
- Rea, George Bronson: "The Communist Menace in Manchuria," *Far Eastern Review*, Vol. 27, No. 8, August 1931;
- Sokolsky, G. E.: "Trade Unionism in China," *Japan Advertiser*, Tokyo, June 4, 1925;
- Chen, Ta: "Wages and Hours of Works in Five Chinese Cities," *Monthly Labor Review*, August 1921;
- "Labor Unrest in China," *Monthly Labor Review*, August, 1921;
- "The Shipping Strike in Hongkong," *Monthly Labor Review*, May, 1922;
- "Working Women in China," *Monthly Labor Review*, Dec. 1922;
- "Labor Conditions in China," *Monthly Labor Review*, November 1924;
- "Labor in China During the Civil Wars," *Monthly Labor Review*, July 1930;
- Unsigned: "Local Labor Situation," *North-China Herald*, Shanghai, December 26, 1925;
- Unsigned: "Labor Unions at Wusih," *Ibid*, April 3, 1926;

- Unsigned: "Labor Trials in Canton," *Ibid*, April 24, 1926;  
 Unsigned: "Authorities and Labor in Kwangsi," *Ibid*, May 1, 1926;  
 Unsigned: "More Labor Troubles in Shanghai," *Ibid*, August 28, 1926;  
 Unsigned: "Labor Legislation in Canton," *Ibid*, December 31, 1926;  
 Unsigned: "Labor Tyranny in Canton," *Ibid*, December 31, 1926;  
 Unsigned: "Chinese Labor Corps Reunion," *Ibid*, June 22, 1927;  
 Unsigned: "Experiment in Chinese Labor," *Ibid*, Sept. 14, 1927;  
 Unsigned: "Labor Situation in Shanghai," *Ibid*, Sept. 4, 1927;  
 Unsigned: "Canton's War of Labor Unions," *Ibid*, Sept. 14, 1927;  
 Unsigned: "Shanghai Labor Situation Easier," *Ibid*, September 18, 1927;  
 Unsigned: "Labor in Shanghai," *Ibid*, Sept. 25, 1927;  
 Unsigned: "Standard of Living of Working Class in China," *Nankai Weekly Statistical Service*, March 10, 1930
- A Symposium: "The Soviet in Asia," *Pacific Affairs*, Honolulu, October 1931.
- Li Chuan-shih: "The Labor Situation in China and Its Solution," *Pacific Monthly*, Manila, March 1930;
- Pan-Pacific Trade Union Secretariat: *Pan-Pacific Worker*, Vol. I, Uo. 1, July 1, 1927; Vol. I, No. 2, July 15, 1927; Vol. I, No. 3, August 1, 1927;
- Chen, Tang: "Kuomintang Forbids All Strikes," *Pan-Pacific Worker*, November 1, 1928;
- Pan-Pacific Trade Union Secretariat: "Report of the Trade Union Congress at Vladivostock," *Pan-Pacific Worker*, December 2, 1929;
- Dittmer: "Density of Population and Standards of Living in North China," *Proceedings of the American Sociological Society*, Vol. XIX, 1925;
- Unsigned: "Labor Situation in China in 1926," *Peking Leader*, March 28, 1926;  
 Unsigned: "Revolt of Cheap Labor," *People's Tribune*, Wuhan, March 12, 1927;  
 Unsigned: "Shanghai General Strike," *People's Tribune*, April 2 and 10, 1927;  
 Unsigned: "Chinese Labor Movement," *People's Tribune*, April 21, 1927;  
 Unsigned: "Textile Workers of Wuhan," *People's Tribune*, May 6, 1927;  
 Unsigned: "Labor Membership," *People's Tribune*, June 24, 1927;
- Wilhelm, Richard: "Industrialization in China and Its Psychological Consequences," *Sinica*, Frankfurt, March 1929;
- Harris, John H.: "A Cry from Hongkong," *Spectator*, London, October 19,
- Chen, Ta: "Labor Conditions in South China," *Statistical Monthly*, Nanking, December, 1929.



## **INDEX**

# I N D E X

## A

Agrarian crisis, 3, 160  
Agrarian revolution, 152  
Agricultural disintegration, 4, 7  
Agricultural exports, 2  
Agricultural imports, 3  
Agricultural improvement, 159  
Agricultural system, 1, 2, 8, 14, 117, 144, 155, 160  
Anderson, Dame Adelaide, 94, 100  
All-China Farmers' and Laborers' Federation, 31  
All-China Labor Conference, 154  
All-China Labor Federation, 43, 45, 46, 51, 54, 84, 118, 146, 149, 151, 152  
All-China Mechanics' Guild, 57  
All-China Railway Workers' Union, 151  
All-China Seamen's Union, 151  
All-China Soviet Congress, 153  
Allowances, 16, 24, 66, 72  
Apprenticeship, 23, 24, 25, 26, 39, 153.  
Apprenticeship, 15, 23, 24, 153  
Arbitration, 71, 87  
Arnold, Julean, 106  
Asiatic Petroleum Company, 58  
Association, right of, 82, 140, 142  
Auxiliary industries, 7, 120, 160

## B

Baku, 146  
Banditry, 3, 8, 144, 156, 167  
Bank of China, 10, 14  
Benefits, 71  
Bei Chung-hsi, 46  
Birth control, 123, 131  
Birth registration, 99  
Bonus, 66  
Borodin, Michael, 33, 34, 46, 148, 149  
Boycotts, 39, 43, 54  
British-American Tobacco Company, 33, 65, 71, 133  
B. A. T. Labor Union, 66, 67, 69, 70, 126  
Browder, Earl, 34, 45  
Buck, J. Lossing, 4, 5  
Bureau of Civil Affairs, 99  
Bureau of Education, 108  
Bureau of Public Safety, 118

Bureau of Reconstruction, 99  
Bureau of Rolled-Tobacco Tax, 67  
Bureau of Social Affairs, 16, 71, 95, 96, 99, 108, 109, 118, 124, 134  
Bureau of Statistics, 17

## C

Canton, 8, 32, 33, 39, 44, 47, 57, 59, 150  
Canton Electric Power Company, 59  
Canton-Hankow Railway, 31, 59  
Canton-Hongkong Strike, 43, 44  
Canton-Kowloon Railway, 59  
Canton Labor Representatives' Association, 60  
Canton-Samshui Railway, 59  
Capitalism, 1, 14, 33  
Central Executive Committee (of Kuomintang), 54, 148, 149  
Central Factory Inspection Commission, 99  
Central Overseas Affairs Commission, 118  
Central Political Council, 54, 61, 119, 134  
Chang Kia-ngau, 10, 14  
Chang Tseng-tze, 6  
Chang Tso-lin, 85  
Chang Tsung-chang, 121  
Chen Chiung-ming, 58  
Chengchow, 40.  
Chen, K. P. 139  
Chen Ta, 40, 98, 101  
Chen Tu-hsiu, 31, 145, 148  
Chiang Kai-shih, 87  
Chiang Li-fu, 140  
Child labor, 17, 124, 134  
China, area of, 5  
China Merchants Steamship Company, 117  
China Institute of Scientific Management, 97  
China International Famine Relief Commission, 6, 161  
Chinkiang, 27  
Chinese language, 111, 112.  
Chinese overseas, 9, 115  
Chinese Overseas Union, 32  
Chinese peasantry, 156  
Chinese Postal Service, 133  
Chinese Returned Laborers' Association, 32

- Chinese Revolution, 30, 52, 82  
 Chinese Revolutionary Party, 52  
 Chinese Seamen's Associated Union, 55, 56, 150  
 Chinese Seamen's Union, 40, 42, 44, 46, 51, 53, 54, 55, 56, 127, 142, 150  
 Chow-ping, 109, 110, 111  
 Christian missionaries, 128, 129  
 Chu Hsao-hsing, 138.  
 Chung Hwa Book Company, 33  
 Chung-san, 59.  
 Civil war, 3  
 Class-struggle, 39, 147, 172  
 Clinic, Birth control, 131  
 Collective bargaining, 15, 39, 79  
 Commercial Press, Ltd., 33, 133  
 Commercial Press Employees' Union, 63, 64, 65, 126, 140  
 Communications, 11, 13, 109, 166, 167  
 Communism, 31, 34, 120, 121, 144, 145, 147, 148, 151, 155  
 Communist coup d'etat, 150  
 Communist Party, 32, 34, 44, 72, 75, 144, 146, 148, 149, 151, 153, 154, 155, 157, 161  
 Communist propaganda, 30, 70, 144, 146, 147  
 Communists, 41, 46, 47, 48, 51, 54, 57, 60, 118, 150, 156, 157  
 Community work, 130, 132  
 Company unions, 51, 55  
 Compradore, 66  
 Compensation, 125  
 Condliffe, J. B., 122  
 Confucius, 146  
 Contract labor, 19, 20, 22  
 Contractor's system, 153  
 Conventions, 91, 137, 140, 141  
 Coolies, 11, 23, 27, 31  
 Cooperative movement, 161  
 Cost of living, 61  
 Cotton, 117  
 Credit societies, 161  
 Cultivable land, 5  
 Cultivated land, 5  
 Currency, 13, 14  
 Customs duty, 121  
 Customs Administration, 2, 8, 10
- D**
- Dangerous thoughts, 151  
 Daud, 139  
 Denmark, 112  
 Dialects, 111
- Directorate of Accounts, Budgets and Statistics, 163  
 Disputes, 43, 44, 69, 71, 73, 99  
 Domestic industries, 169  
 Doriot, Jacques, 34, 45  
 Draft conventions, 137  
 Dutch East Indies, 118
- E**
- Economic crisis, 1, 2, 8  
 Economic internationalism, 18, 173  
 Economic reconstruction, 159, 165, 167  
 Education, 17, 130  
 Educational movement, 168  
 Eight-hour-day, 101  
 Emergency Law, 151  
 Engels, 31  
 England, 112  
 Exports, 2, 9, 10  
 Extraterritoriality, 90, 91, 96, 139
- F**
- Factory Accidents Ordinance, 88  
 Factory council, 98  
 Factory hygiene, 134  
 Factory inspection, 92  
 Factory Inspection Law, 79, 88, 89  
 Factory inspectors, 89, 95, 99  
 Factory Law, 26, 48, 76, 79, 88, 89, 91, 93, 95, 96, 97, 98, 101, 102, 125, 126  
 Factory legislation (also see labor legislation), 38  
 Factory Regulations, 85  
 Factory system, 124  
 Family budget, 5  
 Family incomes and expenditures, 6, 7.  
 Family system, 1, 6, 16, 39  
 Famines, 3, 117, 155, 167  
 Farmers, 3, 5, 6, 30, 105  
 Fatsan, 59  
 Female labor, 16, 17, 98, 134, 141  
 Floods, 3  
 Foreign concessions, 91, 141  
 Foreign trade, 8, 9, 10, 170  
 Franco-Chinese College, 145  
 France, 32  
 Fushun, 22, 132

## G

Gangs, 72  
 George, Henry 6  
 Goethe, 31  
 Grey unions, 51  
 Gratuities, 72  
 Guilds, 24, 37, 51, 57, 59, 63

## H

Hanchung, 7, 8  
 Handicraft industries, 1, 15, 23, 30,  
 115, 120, 121, 169  
 Handicraft workers, 116  
 Hankow, 8, 118, 134  
 Hankow-Szechuen Railway, 31  
 Health, Workers' 130, 131, 134  
 Ho, Franklin, 5  
 Honam, 57, 61  
 Hongkong, 53, 54, 56, 88  
 Hongkong strikes, 33, 40, 43, 44, 84  
 Hongs, 27, 29, 37  
 Hopel, 161  
 Hospice, 128  
 Hospital for workers, 134  
 Hostel, 131  
 Housing, 20, 128, 131, 132, 134  
 Hsiang Chung-fah, 149  
 Hsiao Chi-yung, 140  
 Hsieh Tung-fah, 140  
 Hsu, Leonard, 116  
 Hugo, Victor, 31  
 Hu Han-min, 2  
 Hupeh General Labor Union, 45, 46  
 Hu Shih, 31, 104

## I

Illegal Strikes and Lockouts Ordinance, 88, 89  
 Imperialism, 33, 151  
 Illiteracy, 17, 167  
 Indemnities, 9, 164, 166  
 Industrial Center, 131  
 Industrial disputes, 43, 44, 69, 71, 73,  
 99  
 Industrialism, 1, 14  
 Industrial Employment of Children Ordinance, 88  
 Industrialization, 15  
 Industrial legislation (also see labor legislation), 99  
 Industrial efficiency, 97  
 Industrial Revolution, 15, 19

Industrial union, 70, 71  
 Industrial welfare, 124, 134, 135  
 Interest rates, 4, 134  
 International Chamber of Commerce, 116  
 Internationalism, 18, 173  
 International Labor Conference, 38,  
 48, 56, 65, 80, 83, 91, 137, 138, 139,  
 140, 141  
 International Labor Conventions, 91  
 International Labor Office, 55, 56,  
 94, 100, 101, 137, 138, 140, 142  
 International Labor Organization,  
 48, 136, 138, 140, 143  
 International Settlement (of Shang-  
 hai), 66, 91, 92, 93

## J

Japanese bombardment, 63, 65  
 Japanese invasion, 131  
 Joffe, M. 32, 147  
 Johnston, 39

## K

Kailan Mining Administration, 22,  
 128, 132  
 Kann, E., 14  
 Karakhan, 145  
 Kiang Kang-hu, 31  
 Kiangmen, 59  
 Kiangsu, 50, 120  
 Kiangsu Provincial Government, 109.  
 Kropotkin, 31  
 Kulp, D. H., 130  
 Kuomintang, 32, 34, 45, 51, 54, 58,  
 60, 65, 70, 72, 83, 86, 108, 134,  
 144, 145, 147, 148, 149, 150, 151,  
 156, 161  
 Kuomintang principles, 111  
 Kuomintang Central Land Commit-  
 tee, 30  
 Kwangtung, 41, 42, 44, 45, 46, 47, 48,  
 50, 60, 74, 75, 76, 78  
 Kwangtung Bureau of Agriculture  
 and Industry, 62  
 Kwangtung Mechanic's Maintenance  
 Society, 59  
 Kwangtung Mechanic's Union, 37, 39,  
 57, 61, 62, 126  
 Kwangtung Provincial Labor Federa-  
 tion, 34, 149  
 Kwangtung Provincial Peasants'  
 Federation, 46

Kwangsi faction, 47  
Kweichow, 58

## L

La Jeunesse, 145  
Labor administration, 91  
Labor bosses, 70  
Labor Bureau, 80, 87  
Labor contractor, 21, 22, 23, 29, 52  
43, 152  
Labor contract, 19, 20, 24, 55  
Labor Day, 39, 74  
Labor Department of the Kuomintang Central Headquarters, 149  
Labor disputes, 43, 44, 69, 71, 73, 99  
Labor laws, 21, 42, 79, 84  
Labor legislation, 82, 83, 87, 126, 141  
Labor movement, 34, 42, 44, 48, 49,  
56, 72, 75, 81  
Labor organizations 71  
Labor Party, 31  
Labor pickets, 65  
Labor population, 30  
Labor protection, 153  
Labor Representatives' Association,  
149  
Labor unions, 29, 34, 37, 39, 45, 46,  
50, 57, 64, 66, 72  
Labor Union Law, 48, 76, 79, 87, 89,  
96  
Labor Union Reorganization Commit-  
tee, 48, 76  
Laborers, 128  
Laborers' welfare, 125  
Land, Cultivable, 5  
Land, Cultivated, 5  
Land, nationalization, 31  
Land rent, 4  
Land Regulations, 94  
Land taxes, 121, 3, 7  
Land tenure, 161  
Law of Emergency, 151  
Law of Collective Agreements, 79,  
88, 89  
Law of the Settlement of Disputes,  
77, 79, 89, 96  
Law relative to Chambers of Com-  
merce, 83  
Law relative to the Preservation of  
Public Order, 83.  
Lamson, H., D. 16  
Leaf, Walter, 116  
League of Nations, 136  
Lee, Franklin, 28  
Lee Lih-san, 42, 51, 146, 147, 149  
Lee Yung-hsiang, 140

Legal protection, 25, 38, 48, 83, 84  
Legislative Yuan 2, 17, 88  
Lenin, 147  
Likin, 7  
Li Ta-chao, 145, 146  
Li Yuan-hung, 41, 84, 85  
Literary Renaissance, 31, 33  
Liao Chung-kai, 42, 149  
Liang Teh-kung, 56, 139, 140  
Liu Yu-sen, 151  
Liupan, 7, 8  
Loan service, 134  
Lockouts, 118  
Long hours, 111, 121

## M

Ma Chao-chin, 87, 116  
Malaya, 118  
Malthusian theory, 5  
Mao Tse-tung, 153  
Manchu, 30, 82, 155  
Manchuria, 5, 10, 22, 88  
Manchurian conflict, 110, 167  
Mann, Tom 34, 45  
Marx, Karl 156  
Marxism, 145  
May Day, 39, 74  
Mass education, 29  
May 30th Incident (1925), 43, 54, 63,  
67, 85, 145  
Mechanics' strike, 39  
Mediation, 71  
Membership, union, 69  
Mencius, 146, 158, 165  
Military disbursements, 164  
Minimum wage, 153  
Miners, 21  
Mining, 21, 22, 109  
Mining population, 21  
Minimum wage convention, 140  
Ministry of Agriculture & Commerce,  
5, 41, 80, 84, 85.  
Ministry of Agriculture & Mining,  
109, 119  
Ministry of Communication, 80, 85,  
109  
Ministry of Commerce, Industry &  
Labor, 78, 87, 88, 124.  
Ministry of Education, 104, 168  
Ministry of Finance, 67  
Ministry of Foreign Affairs, 55  
Ministry of Industry, 50, 80, 94, 98,  
100, 108, 124  
Ministry of the Interior, 53, 119  
Ministry of Labor, 54  
Ministry of Railways, 119

Missionaries, 128, 129  
 Mission industries, 129, 130  
 May Fourth, 146, 147  
 Mo Yung-hsin, 58  
 Model Village in Pootung, 132  
 Moh, H. Y., 8  
 Mongolia, 5  
 Moscow, 145  
 Municipal Council (Shanghai), 92, 93, 95  
 Municipal Government of Greater Shanghai, 25, 67, 70, 92, 95, 132, 134

## N

Nanking Government, 47  
 Nanking, University of, 3, 5  
 Nanyang Bros. Tobacco Co., 33  
 National Association for the Advancement of Mass Education, 110  
 National budget, 163  
 National Christian Industries Association, 129  
 National Economic Council, 171  
 National Educational Conference, 104, 107  
 National Famine Relief Committee, 3, 117  
 National Federation of Labor, 43, 51, 79  
 National Good Roads Association, 11  
 National Government, 67, 118  
 National Industrial Conference, 77, 124, 126  
 National Labor Conference, 149  
 National Labor Party, 31  
 National Railway Workers' Union, 75  
 National reconstruction, 160  
 National rehabilitation, 159, 172  
 National socialism, 172  
 National Vocational Education Association, 108  
 Nationalist Party, 41, 48, 58, 74, 78, 83  
 Nationalist Revolution, 56, 66, 74, 130, 147, 148  
 Nationalist Revolutionary Armies, 65, 67  
 Native goods, 169  
 Native Goods Movement, 170  
 Night work for women and children, 153  
 Northern Expedition, 34, 44, 149, 187

## O

Occupational union, 70  
 Opium, 121  
 Ordinances, 88, 89  
 Over-population, 122  
 Over-production, 123  
 Over-supply of labor, 122  
 Overseas workers, 118

## P

Pan-Pacific Trade Union Conference, 45, 50, 146, 149, 154  
 Pao Chen Cotton Mill, 98  
 Paris, 32  
 Peace Treaty, 140  
 Peasants' movement, 76  
 Peiping (Peking), 25, 28, 39, 47, 118  
 Peking-Mukden Railway, 33  
 Peking Union Medical College, 6  
 Pensions, 125  
 People's livelihood, 74, 165, 169  
 Petroleum tax, 121  
 Permanent workers, 71  
 Picket corps, 63, 77  
 Poon, C., 94, 100  
 Pootung, 65, 67  
 Pootung Model Village, 132  
 Popoff, 32  
 Population, 5, 6, 122  
 Population, labor 30  
 Porcelain industry, 117, 121  
 Poutou, 21  
 Pravda, 154  
 Proletarian literature, 113, 155  
 Provisional Constitution, 38, 41, 82, 84  
 Provisional Criminal Code, 83, 84  
 Provisional Factory Regulations, 41, 84, 138  
 Provisional Government of the Soviet Republic of China, 153  
 Provisional Penal Code, 38, 40  
 Provisional Regulations relating to the Settlement of Disputes, 48, 87  
 Peking-Hankow Railway, 40, 84  
 Provisional Regulations concerning Apprentices, 25

## R

Railways, 11, 167  
 Rates of interest, 133, 161

- Real wages, 118  
 Recommendations, 137  
 Recruiting agents, 19, 20, 29, 52  
 Recruiting system, 19  
 Reds, 47, 51, 57, 72  
 Red Army Daily, 152  
 Red labor unions, 45, 148, 149, 150, 151, 154  
 Red International of Labor Unions, 43, 154  
 Red uprising (in Nanchang), 150  
 Redistribution of land, 152, 156  
 Regulations concerning the Organization of Special Trade Unions, 88  
 Regulations governing Mining Enterprises, 83  
 Regulations for the Application of the Labor Union Law, 79, 89  
 Regulations for the Conciliation of Disputes between Capital and Labor, 87  
 Regulations for the Enforcement of the Factory Law, 79, 88, 89  
 Regulations for the Enforcement of Martial Law, 151  
 Regulations for the Organization of Committees for Arbitration of Disputes between Employers and Employees, 87  
 Regulations relating to the Organization of Labor Unions, 48, 87  
 Renaissance, 31, 32, 33  
 Rent, land, 4  
 Revolution, Chinese 30, 52, 82  
 Revolution, Soviet, 32  
 Revolutionary Party, 52  
 Rice allowance 2, 10, 66  
 Rice-bowl-dealer, 19  
 Ricksha coolies, 27, 31  
 Ricksha fares, 29  
 Ricksha-pulling, 27, 28, 29  
 Roads, 11  
 River Vessels Seamen's Union, 56  
 Roman Catholic missionaries, 128  
 Rosta News Agency, 33  
 Rowntree, B. S., 135  
 Roy, M. N., 34, 45  
 Rules of Factory Supervision and Inspection, 85  
 Rural education, 107, 160  
 Rural population, 120  
 Rural reconstruction institute, 110
- S**
- Safety, 125  
 Salt tax, 121  
 Sanitation, 125  
 Savings, 128  
 Savings scheme, 133  
 Schools for workers, 70, 127, 128  
 Seamen, 40, 139  
 Second Revolution, 52  
 Shameen, 43, 54  
 Shanghai, 1, 8, 14, 15, 16, 17, 19, 20, 25, 27, 31, 32, 39, 45, 46, 61, 67, 91, 92, 93, 118  
 Shanghai Commercial & Savings Bank, 161  
 Shanghai Conference on People's Livelihood, 96  
 Shanghai Fifth Rolled Tobacco Workers' Union, 70  
 Shanghai General Labor Federation, 41, 43, 45, 46, 151  
 Shanghai General Strike, 67  
 Shanghai Land Regulations, 92  
 Shanghai Postal Workers' Union, 79  
 Shanghai Publisher's Union, 65  
 Shanghai University, 145  
 Shanghai, University of 16  
 Shanghai Y.M.C.A. Social Center, 130  
 Shanghai Y.W.C.A., 131  
 Shansi, 47, 167  
 Shantung, 145  
 Shantung Provincial Government, 110  
 Shensi, 7, 8  
 Shihlung, 59  
 Silk filatures, 16, 117  
 Silk, raw, 2  
 Silk weaving, 120  
 Silver prices, 118  
 Singapore, 118  
 Sin Wan Pao, 4, 15  
 Social revolution, 147  
 Socialism, 31, 33, 172  
 Socialist Party, 31  
 Society for the Advancement of Morality, 67  
 South Manchuria Railway, 132  
 Soviet districts, 154  
 Soviet regime in Changsha, 150  
 Soviet Revolution, 32  
 Soviet Russia, 32, 142, 145, 147, 155, 157, 171  
 Sovietism, 147  
 Standard of living, 5, 115, 123  
 Standard Oil Company, 58  
 Statistics, 116  
 Strikes, 31, 32, 33, 39, 40, 41, 42, 43, 44, 52, 53, 58, 62, 63, 64, 65, 66, 72, 73, 77, 84, 99, 149, 153  
 Student Movement, 39, 145, 146  
 Students' unions, 33, 146  
 Subsidies, 72  
 Su Chao-jen, 42, 45, 51, 54, 150, 154  
 Sun Chuang-fang, 45, 64, 65

- Sun Yat-sen, 31, 32, 34, 41, 42, 52, 53, 54, 58, 74, 86, 143, 147, 148, 172  
 Sun Yat-sen, Madame 46, 47  
 Szechuen, 167  
 Soong, T. V., 171  
 United States, 3, 5, 11, 115, 142  
 Unions (also see labor unions and trade unions) 29, 33, 34, 37, 39, 42, 45, 46, 50, 51, 57, 64, 66, 69, 72  
 Unlawful Societies Ordinance, 88

## T

- Ta Kung Pao, 119  
 Tai-san, 59  
 Taiyuan, 167.  
 Tan Ping-san, 42, 148  
 Tao, L. K. 16, 17  
 Taxation, 121, 165, 166  
 Taxes, 3, 7, 8, 161  
 Tawney, R. H., 104, 160  
 Tchou, M. T., 96, 139, 140  
 Tea, 2, 117, 126  
 Temporary workers, 71  
 Textile industry, 19, 20  
 Third International, 46  
 Thomas, Albert, 56, 140, 141  
 Three Eastern Provinces, 1, 10, 11  
 Three Principles of the People, 66  
 Tientsin, 8, 89, 47, 134  
 Ting-hsien, 109, 110, 111  
 Tobacco and wine tax, 121  
 Tongshan Miners' Union, 75  
 Trade balances, 8, 9, 10  
 Trade Disputes Act, 89  
 Trade education, 17  
 Trades, 129  
 Trade unions, 22, 33, 51, 128, 153  
 Trade Union Bill, 85  
 Trade Union Regulations, 34, 42, 74, 79, 86  
 Trade unionism, 39, 72  
 Transportation, 4, 11, 13, 166, 167  
 Treaty of Versailles, 136, 145  
 Treaty ports, 8, 13, 14, 15, 105, 161, 162  
 Trotskyist, 148, 151  
 Tsao Kun, 82  
 Tsingtao, 8, 19, 39  
 Tuan Chi-jui, 82  
 Tuchuns, 38, 66, 74, 144

## U

- Under-employment, 115, 116, 121, 122, 123  
 Unemployment, 29, 115, 118, 120, 121, 122, 123  
 Unequal treaties, 74, 141

## V

- Village schools, 110  
 Vocational education, 122, 168  
 Voitchinsky, 146

## W

- Wages, 15, 16, 17, 20, 21, 24, 32, 62, 66, 71, 98, 111, 118, 140, 153  
 White land, 121  
 Women workers, 98, 134, 141  
 Woo Kai-shen, 139  
 Workers' education, 16, 17, 107, 108, 109, 111, 112, 113, 131  
 Workers' educational institute, 109, 110  
 Workers' health, 130, 131, 134  
 Working conditions, 6, 72, 82, 111, 129  
 Working hours, 15, 21, 25, 66, 97, 111, 130  
 Working time for farmers, 6  
 Working population, 154  
 World War, 32, 40, 83, 110, 129, 136, 171, 173  
 Wuchang, 31  
 Wuhan, 17, 44, 45, 46, 47, 54, 84, 149  
 Wu Pei-fu, 40, 84  
 Wusih, 17, 109, 134  
 Wu Kwang-sin, 8  
 Wu Ting-fang, 57  
 Wu Tze-hui, 3

## Y

- Yangtzepoo Social Center, 130  
 Yangtze river, 4  
 Yang, Simon, 16, 17  
 Yang Yu-jen, 140  
 Yang Yung-tai, 58  
 Yellow unions, 45, 51, 152  
 Yen Chin-hsiang, 140  
 Y. M. C. A. Social Center, 130  
 Young Socialist League, 146  
 Yuan Shih-kai, 31, 82  
 Yunan, 58  
 Y. W. C. A. Industrial Center, 130



**CHECKED**  
**2003-6-4**

PRINTED AT THE COMACRIS PRESS