

CO-OPERATIVE WHOLESALE SOCIETY.

To the Editor of the

"NORTH-CHINA DAILY NEWS."

SIR,—There is not very much to object to in your Labour Correspondent's reply to my letter; it is much more moderate than the original article. There are still a few points, however, which give a wrong impression.

Whose are the directors pictured by your Labour Correspondent as being so tyrannical? Not money-bags, on the directorate because of their influential holding in the company; nor yet titled non-entities, so much sought after by some concerns as investing an air of respectability; nor sharpers, skilled at "cornering," and otherwise penalizing the general public. The C. W. S. directors are elected by the thousand or so co-operative societies of which the C. W. S. is a federation; they are persons with years of experience as officials or committee-men on these retail societies, and have an intimate knowledge of the needs of the general public.

These C. W. S. directors have to hold the balance even between the claims of their employees on the one hand, and of the general mass of Co-operative consumers on the other. Some misguided folk, among whom your Labour Correspondent seems to be one, appear to imagine the sole duty of the C. W. S. directors is to pay unusually high wages to their employees, even though this forces up the price of C. W. S. productions to co-operative consumers, of whom only a small proportion find employment in co-operative works. I imagine the trouble with the C. W. S. bank officials can be more easily explained than settled. The stigma of "profiteering" does not seem to be applied to ordinary banks: that they should make huge profits seems accepted; and in the general atmosphere of affluence, the salaries paid are generous. But with the C. W. S., the bank is only a comparatively small department among many others, and the C. W. S. directors demur at paying to the banking employees salaries much higher than those paid to employees with equally responsible posts in other departments.

In considering how your Labour Correspondent regards the forward policy of the C. W. S., should we not make allowances for the

peculiar psychological effect of being a Trades Union official, especially at the present time? Even in normal times it must be a somewhat doleful task, to collect contributions from workmen who often find it hard to make ends meet; and after paying out sick benefit and unemployment allowances to deplore the difference between their slender fighting funds and the resources of the employers. During these times it must be a heart-breaking job altogether. The Minister of Labour has recently stated that the percentage of unemployment is twice as large as was shown in the worst of the ten years before the war. Your correspondent should be willing to admit that his daily work must naturally tend towards an excess of caution and a chronic pessimism, unfitting him from appreciating the courageous and optimistic policy of the C. W. S. directors. Their motto evidently was "Fear not to sow because of the birds." Obeying the distinct mandate from the delegates' meetings, they made great extensions, the bulk of which are certain to prove of great utility when a normal state returns again. I fully expect it is true that the C. W. S. directors have made some mistakes. In this interesting world we all seem doomed to make mistakes: even your Labour Correspondent is not infallible. But I am glad he has emphasized the atmosphere of criticism at the quarterly meetings, for this shows how different is the position of the C. W. S. directors from those of "big business" concerns, whose colossal blunders rarely get mentioned at shareholders' meetings. These vigorous criticisms, made by earnest co-operators with a desire to get abuses rectified, differ entirely from the bitter diatribes of your Labour Correspondent, and show how absurd it is for him to speak of "unchecked growth of internal abuses." It is these criticisms, that show the C. W. S. to be essentially alive. Whereas the shareholders' meetings of a joint-stock undertaking consists of a little clique of tame shareholders connected with the directors, the C. W. S. quarterly meetings, held at sectional meetings at eight different centres, are attended by a very alert multitude, who tackle the agenda in a most businesslike manner.

Your correspondent mentioned the criticisms, but what a different aspect the matter assumes when we understand that these criticisms (and many others) were uttered at meetings attended by 2,816 delegates, representing 790 different retail societies. These are the figures for the meetings last April.

I am, etc.,

G. W. S.

Chungking, Oct. 20, 1922.