

To the Editor of the

"NORTH-CHINA DAILY NEWS."

Sir,—Mr. H. M. Bishop, in his answer to me relative to the ethics of debt collecting, takes over half a column of your space to tell the public what the public already well knows, *viz.*, the existence of the pernicious chit system and the abuse of that system by a certain class of person.

It is not my purpose to defend those who take advantage of the credit system in Shanghai to run up accounts which they know perfectly well they can never pay. Tradesmen and storekeepers themselves are not altogether free from blame in this respect for extending credit, although it is no secret that they are encouraged to do this by the prevailing high prices which in some measure offset the losses incurred in respect of unpaid chits, so that the consumer is hit in the final analysis by having to pay higher prices in order to recoup tradesmen for the delinquencies of a few. As I have already stated, it is not my object to shield the class of person whom a local magistrate once aptly termed "extravagant young ass." If storekeepers choose to extend credit in spite of all that has happened and in spite of the ample ventilation of the abuse of the chit system in the columns of the local press from time to time, it is entirely their own affair.

The point I wish to make is that if a person signs a chit and then will not or cannot honour it, the creditor has his legal remedy in the ordinary way, that is to say, he can set in motion the ordinary legal process for recovery of the money due. What the China Credit Information and Mercantile Bureau proposes to do, however, is something entirely different, and I still maintain that if the threatened procedure is adopted, the Bureau, the newspaper publishing the list and the auctioneer (if one can be found to undertake the pleasant task) can be held in law responsible for damages. The taking of legal proceedings by a creditor to recover money owing is perfectly legitimate, but any attempt by a third party to do something tending to injure the credit and reputation of others is illegal, the validity of which contention Mr. Bishop is at liberty to test for himself.

I am, etc.,

ANTI-BLACKMAIL.

Shanghai, Dec. 11, 1924.