

TEN MILLION WORKING DAYS LOST

What the Strike Has Already Meant to Shanghai and China: A Huge Decrease in Productivity

SOME NOT AT ALL PLEASANT REFLEXIONS

An estimate has been made that the strike in Shanghai has lost to China about ten million working days already. In a non-statistical country like this there can be no exactitude in the case as a matter of fact, no cast-iron statement of the number of workers on strike at any one time can be obtained; but taking an average of the numbers given the figure of ten millions seems easily to be covered.

It would require a staff such as that employed by the Board of Trade or Ministry of Labour to prepare accurate statistics of the effects of the present strike, and in the absence of any such organization it is necessary to generalize to a very great extent. In these circumstances we may take it that a certain portion of the strike started on June 1 the date on which the whole of Nanking Road decided to stop work—and that its fullest effect was seen on July 6, when the supply of electricity to Chinese mills could no longer be maintained. There are various estimates of the number of men thrown out of work by the strike or its effects, and these have to be considered. A Chinese estimate puts the number as low as 130,000, while a Japanese makes it just above 200,000. A well-known British industrial leader suggests 150,000 as the maximum number of people out of work at any time, and on a basis of this we make our calculation that already ten million working days have been lost to the country.

Far Reaching Effects

Until July 6, when the Chinese mills had to cease work, there would not be the total just mentioned, so for purposes of calculation we may take the figure of 100,000 as the daily average of those on strike up to that point. From June 1 to July 5 on this basis we get a total of 3,500,000 working days lost. Then taking the total daily average as 150,000 from July 6, we get over six and a half million working days, and thus reach the ten million mark from the start of the strike. This of course is no more than an estimate, but even should it prove to be a million or two days out it shows how serious a blow has been struck at local prosperity.

The loss of wages involved in all this need not be expatiated upon. It is probably in the neighbourhood of three or four million dollars, but has been minimized to the workers to a certain extent by strike fund contributions from interested or intimidated parties. These people, however, have thus been parting with their capital or profits and, except in certain cases, have been expending them in an unremunerative direction. This point will be dealt with presently. What is of more importance to China's industrial prosperity is that ten million days of productivity have been lost. The goods these men would have produced or handled so as to bring them into consumption are lacking, and from the farmer who produces raw material to the merchant who sells the finished article to the consumer the effect will be felt. The cost of labour, all important as it is in manufacturing expenses, loses a lot of its first significance when the varying processes of transport and salesmanship are regarded. The loss is much more widely spread than upon labour alone.

Chinese Merchants' Losses

Leaving the labour side of the question, and turning to the merchandising of goods, we learn that

a Chinese statement puts the daily losses of Chinese merchants at \$3,000,000. In most circles this is regarded as a very considerable exaggeration, but there is no doubt at all that Chinese merchants have been severely hit by the strike. Take the case of the piece goods dealers. Because ships could not be unloaded here cargo consigned to Shanghai on account of Chinese dealers had to be left off at Singapore, and only recently arrived, in some instances several weeks after the anticipated date. At the same time, owing to student activities and the shipping strike, the merchants who had cargo were unable to get it away, and naturally expenses have been piling up against them. It is true that matters are better now, and where dealers can get their cargo away they are obtaining high prices for it, but the general movement is still small and not in any way sufficient to offset the heavy expenses we have mentioned. This is the sort of thing to go on the debit side of the balance sheet not alone as regards piece goods but many other branches of trade.

Furthermore when considering the possible losses of the merchants, it must be borne in mind that many of them have been scandalously fleeced by the agitators with their demands for strike contributions. It will never be possible to get at the amount which blackmail and intimidation has forced out of these men, but when all such sums are added to the business losses it will be appreciated that the merchant classes have been severely hit.

The Credit Side

While all such losses as above noted been incurred it would be giving an unfair picture of the situation if the benefits accruing to particular sections of Chinese business were not also mentioned. Chinese shipping is coining money as it has never done before, and has never been so busy, and the problem before the shipowners is how to get their ships loaded and unloaded in as short a time as possible so as to get them to sea again. As an example of how they are pushing matters it may be mentioned that one Chinese steamer arriving with 3,500 tons of coal was discharged within 30 hours, whereas the average speed of discharging such cargo here is only 750 tons per working day. Naturally Chinese shipping companies display no anxiety for a conclusion of the present state of affairs, even though a levy is made on their profits by way of strike contributions. Their present earnings can well stand that.

In exactly the same way Chinese manufacturers of cigarettes seem to be making hay while the sun shines, full advantage of the boycott being taken. On the whole, however, the number of businesses which are able to secure any substantial benefit is limited.

In one respect the Chinese have been rather lucky. The mills in Shanghai normally consume about 116,000 piculs of cotton weekly, of which at the present time about 60 per cent. would be Chinese, the remainder being Indian. Normally, in view of the strike one would expect this to accumulate and create a big carry over to next season, but this year there has been somewhat of a shortage, and so no accumulation of stock likely to affect the market should take place. In any event Japan, which is now busy supplying China with the yarn which would ordinarily come from the Shanghai mills, seems prepared to take up any surplus.