

Editor's Note: This handout is to be used with Juanjuan Peng, "Twentieth-Century Chinese Entrepreneurs before 1949: Literature Excerpts for the Classroom" from the winter 2019 issue of *Education About Asia* beginning on p.11.

Handout A: Excerpt from "The Shop of the Lin Family," by Mao Dun, trans. Sidney Shapiro

Introduction: In September 1931, Japan invaded and soon acquired the Manchurian region of China. On January 18, 1932, five Japanese monks were beaten severely near Shanghai's Sanyou Factory by agitated Chinese workers, causing the death of one monk. Two days later, a group of Japanese burnt down the factory as revenge. One Chinese policeman was killed and several more were injured when they arrived to help put out the fire. The conflicts soon caused an upsurge of anti-Japanese protests calling for a boycott of Japanese-made goods. The situation continued to deteriorate over the next week and eventually led to a war between Japan and China at Shanghai that lasted slightly over a month. The incident had a devastating effect on small general stores in the lower Yangtze region that carried Japanese-made household products like umbrellas, wash basins, handkerchiefs, soap, and socks. Many of them went bankrupt during the crisis. In the following story, Mr. Lin is a fictional owner of such kind of general store.

But out in the shop, although Mr. Lin was devoting his whole being to business, though a smile never left his face, he felt as if his heart were bound with strings. Watching the satisfied customer going out with a package under his arm, Mr. Lin suffered a pang with every dollar he took in, as the abacus in his mind clicked a five percent loss off the cost price he had raised through sweat and blood. Several times he tried to estimate the loss as being three per cent, but no matter how he figured it, he still was losing five cents on the dollar. Although business was good, the more he sold the worse he felt. As he waited on the customers, the conflict raging within his breast at times made him nearly faint. When he stole glances at the shop across the street, he had the impression that the owner and salesmen were sneering at him from behind their counters. Look at that fool Lin! They seemed to be saying. He really is selling below cost! Wait and see! The more business he does, the more he loses! The sooner he'll have to close down!

Mr. Lin gnawed his lips. He vowed he would raise his prices the next day. He would charge first-grade prices for second-rate merchandise.

The head of the Merchants Guild came by. It was he who had interceded with the Guomindang (China's Nationalist Party) chieftains for Mr. Lin on the question of selling Japanese goods. Now he smiled and congratulated Mr. Lin, and clapped him on the shoulder.

"How goes it? That four hundred dollars was well spent!" he said softly. "But you'd better give a small token to Guomindang Party Commissioner Bu too. Otherwise, he may become annoyed and try to squeeze you. When business is good, plenty of people are jealous. Even if Commissioner Bu doesn't have any 'ideas,' they'll try to stir him up!"

Mr. Lin thanked the head of the Merchants Guild for his concern. Inwardly, he was very alarmed. He almost lost his zest for doing business.

What made him most uneasy was that his assistant Shousheng still hadn't returned from the bill collecting trip. He needed the money to pay off his account with the big Shanghai wholesale house. The collector had arrived from Shanghai two days before, and was pressing Mr. Lin hard. If Shousheng didn't come soon, Mr. Lin would have to borrow from the local bank. This would mean an additional burden of fifty or sixty dollars in interest payments. To Mr. Lin, losing money every day, this prospect was more painful than being flayed alive.

At about four p.m., Mr. Lin suddenly heard a noisy uproar on the street. People looked very frightened, as though some serious calamity had happened. Mr. Lin, who could think only of whether Shousheng would safely return, was sure that the river boat on which Shousheng would come back had been set upon by pirates. His heart pounding, he hailed a passer-by and asked worriedly:

"What's wrong? Did pirates get the boat from Lishi?"¹

"Oh! So it's pirates again? Travelling is really too dangerous! Robbing is nothing. Men are even kidnapped right off the boat!" babbled the passer-by, a well-known loafer named Lu. He eyed the brightly colored goods in the shop.

Mr. Lin could make no sense out of this at all. His worry increased and he dropped Lu to accost Wang, the next person who came along.

“Is it true that the boat from Lishi was robbed?”

“It must be A Shu’s gang that did it. A Shu has been shot, but his gang is still a tough bunch!” Wang replied without slackening his pace.

Cold sweat bedewed Mr. Lin’s forehead. He was frantic. He was sure that Shousheng was coming back today, and from Lishi. That was the last place on the account book list. Now it was already four o’ clock, but there was no sign of Shousheng. After what Wang had said, how could Mr. Lin have any doubts? He forgot that he himself had invented the story of the boat being robbed. His whole face beaded with perspiration, he rushed into the “inner sanctum.” Going through the swinging doors, he tripped over the threshold and nearly fell.

“Papa, they’re fighting in Shanghai! The Japanese bombed the Zhabei section!” cried Miss Lin, running up to him.

Mr. Lin stopped short. What was all this about fighting in Shanghai? His first reaction was that it had nothing to do with him. But since it involved the “Japanese,” he thought he had better inquire a little further. Looking at his daughter’s agitated face, he asked:

“The Japanese bombed it? Who told you that?”

“Everyone on the street is talking about it. The Japanese soldiers fired heavy artillery and they bombed. Zhabei is burned to the ground!”

“Oh, well, did anyone say that the boat from Lishi was robbed?”

Miss Lin shook her head, then fluttered from the room like a moth. Mr. Lin hesitated beside the swinging doors, scratching his head. Mrs. Lin was hiccuping and mumbling prayers.

“Buddha protect us! Don’t let any bombs fall on our heads!”

Mr. Lin turned and went out to the shop. He saw his daughter engaged in excited conversation with the two salesmen. The owner of the shop across the street had come out from behind his counter and was talking, gesticulating wildly. There was fighting in Shanghai; Japanese planes had bombed Zhabei and burned it; the merchants in Shanghai had closed down— it all was true. What about the pirates robbing the boat? No one had heard anything about that! And the boat from Lishi? It had come in safely. The shopowner across the street had just seen stevedores from the boat going by with two big crates. Mr. Lin was relieved. Shousheng hadn’t come back today, but he hadn’t been robbed by pirates either!

Now the whole town was talking about the catastrophe in Shanghai. Young clerks were cursing the Japanese aggressors. People were even shouting, “Anyone who buys Japanese goods is a son of a bitch!” These words brought a scarlet blush to Miss Lin’s cheeks, but Mr. Lin showed no change of expression. All the shops were selling Japanese merchandise. Moreover, after spending a few hundred dollars, the merchants had received special authorizations from the Guomindang chieftains, saying, “The goods may be sold after removing the Japanese markings.” All the merchandise in Mr. Lin’s shop had been transformed into “native goods.” His customers, too, would call them “native goods,” then take up their packages and leave.

Discussion Questions:

1. What kind of challenges to his business did Mr. Lin face? How did Mr. Lin respond to them? What would you do if you were faced with the same challenges and what is your rationale for your decisions?
2. What kind of state-business relation does this story reveal? Would it probably promote or hinder economic growth in China? Why?

NOTES

1. Lishi is a fictional town in the story.