

# **Women Migrant Workers under the Chinese Social Apartheid**



**Committee for Asian Women**

# **Women Migrant Workers under the Chinese Social Apartheid**

**May 2007**

Authors                      Au Loong-yu, Nan Shan, Zhang Ping  
Design/Layout              Cheung Pak Hong  
Publisher                    Committee for Asian Women (CAW)  
                                    386/58 Soi 42, Ratchadaphisek Road,  
                                    Ladyao, Chatujak,  
                                    Bangkok 10900  
                                    Thailand  
                                    Ph: 662 9305634-35, Fax:66 2 9305633  
                                    Email: [cawinfo@cawinfo.org](mailto:cawinfo@cawinfo.org),  
                                    Website: [www.cawinfo.org](http://www.cawinfo.org)

## **Content**

I.    Abstract .....	1
II.   The CCP's changes in social policy in the reform era .....	1
III. Working conditions in the EPZs.....	5
IV.   Some special features of rural migrant workers.....	7
V.    The regime of spatial and social apartheid .....	8
VI.   The beginnings of resistance .....	20
VII. Four cases studies .....	24
VIII. The gender dimension of workers' resistance.....	39
IX.   Conclusion: Defending workers' rights and the role of NGOs .....	41
Appendix: Lists of Abbreviations .....	44

*The authors wish to thank Saul Thomas for his hard work of  
proof reading of this paper.*

The authors can be reached at [nanshan97@hotmail.com](mailto:nanshan97@hotmail.com)

## I. Abstract

This report aims at identifying how the combined results of the one-party state and the capitalist reforms since the 1990's has deeply affected women rural migrant workers, and how these women workers have responded to these changes. The reason for focusing on women workers is because they account for the overwhelming majority of the labor force in EPZs (Export Processing Zones), and as an oppressed sex are more vulnerable.

What makes China's case different from that of the USSR is that in China the one-party state has been kept intact and it is the Chinese Communist Party (CCP) that has led the reforms up to the present moment. We will show that the combination of the one party state and its earth-shaking market reforms have come at the expense of the workers. We further identify seven elements of the repressive regime at the national, municipal and local levels, and argue that the combined results of these elements have given rise to a kind of spatial and social apartheid which systematically discriminates against the rural population, with women being the most oppressed. Recently, however, more and more women workers have been able to get rid of their fear of their bosses and the local government, and are striving to make their grievances heard. Through four case studies (GP, Computime, Stella, Uniden) we will tell the stories of their struggle and the lessons we can draw.

## II. The CCP's changes in social policy in the reform era

Between 1949 and 1980, workers were granted the title of 'the leading class' in China, and enjoyed the right to employment and social security, something which they could not even dream

of before the overthrow of the KMT regime. However, not only were political democracy and institutional rights to recall incompetent party leaders absent under the one party state, but workers were also simply denied the basic right to self-organization. The All China Federation of Trade Unions (ACFTU) was the sole legal national trade union, and membership has been compulsory for workers, but workers did not enjoy any genuine rights to recall union leaders. Moreover, under the *danwei* (literally, production unit) regime, while the party leader in each 'unit' could not fire workers based on economic reasons, workers were also tied to the 'unit' with no right to change occupations or employers, no rights to recall party leaders of their respective production unit, and no freedom to establish their own organizations. On top of these were personal files of every worker, which recorded every word during meetings he/she might have said or any action he/she might have taken. These files were kept by the party secretary of the *danwei*, and were the main reference for any punishment or promotion of the workers. The combined results of all these political and social control have been the severe atomization and deep political apathy within the workforce.

The CCP's policy of 'women could holding up half of the sky' as well as the need for rapid industrialization freed large amounts of urban women from the family and allowed them to enter into jobs that were closed to them before 1949. Still, as late as 1977, women workers only accounted for 28.3% of the workforce in the state sector, and 32.9% of the total urban workforce. 'Equality between the sexes has been so interpreted that women workers must work as hard as men, without fully recognizing the fact of women's special needs as a childbearing sex. The socialization of housework was partially introduced but remained under-developed; instead the party propagated the idea that women doing housework was an important contribution to the revolution.

While it is a gross exaggeration to claim that workers in the Mao period 'ran the state and the factories', workers did enjoy relatively privileged status when compared to peasants and intellectuals, not to speak of the disappeared class of entrepreneurs. Workers were not the rulers; the bureaucrats were and still are. But workers enjoyed the best treatment

<sup>1</sup> Employment and Social Security for Chinese Women Under Economic Restructuring, by Pan Jintong, The World of Management, issue 7, 2002.  
[http://www.usc.cuhk.edu.hk/wk\\_wzdetails.asp?id=3460](http://www.usc.cuhk.edu.hk/wk_wzdetails.asp?id=3460)

among the ruled. It was this relative advantage that state workers once enjoyed which might have led them to believe in the official doctrine that the CCP was their party. Although such a privileged position is now a thing of the past, it provides the basis for the nostalgia of these workers today.

Deng Xiaoping's rise to power in 1979 became a turning point for workers--since then the market reforms have enriched the bureaucracy at the expense of workers and common citizens. Accordingly, Deng started the first step of shifting the CCP's social base from workers to the newborn entrepreneurs. The 1982 revision of the constitution abolished the right to strike altogether, while at the same time, from 1982 onwards, the constitution had been many times revised so as to give constitutional support to private enterprises and their private property. An ever-widening gulf, was being laid between the rulers and the ruled, and it was this that later led to the eruption of the democratic movement in Tiananmen Square. The CCP was particularly alarmed at the fact that huge numbers of workers came out to the support of the students' demand of basic democratic rights. After the crackdown, the CCP could no longer take workers' tacit consent to CCP's leadership as granted as had previously been the case. Instead, under Deng Xiaoping, the CCP leadership decided to further encourage the growth of a new class of entrepreneurs and professionals through the provision of increasing market opportunities.

The social base of the CCP, gradually but irrevocably, shifted from workers to entrepreneurs. More than 30 million workers in the state sector were sacked, a scale never seen in history. Over the past 10 years, the active urban working population has grown to 200 million, but its composition has changed greatly. The number of workers in SOEs shrank from 112 million in 1995 to 69 million in 2003. The number of workers in collective enterprises declined from 35.5 million in 1995 to 9.5 million in 2003.<sup>2</sup> At the same time, 150 million rural people have left the land and roamed the country as migrant workers in search of employment, the overwhelming number of them ending up working in private enterprises with wages so low that workers are barely able to sustain themselves, and with little social security. This great social transformation can be summed up in this way: good,

<sup>2</sup> China Statistical Abstract 2004, China Statistics Press.

secure jobs have been eliminated and replaced by bad and insecure jobs. This represents a great social regression. Meanwhile, the old working class was "restructured" such that it has today shrunk to a minority, along side a new working class composed of rural migrants. The Chinese working class now consists of two major sectors: the state and the private sectors. Although the downward pressure in wages and working conditions are largely applicable to both sectors, the private sector is more regressive than the state sector.

Gone is the honorary title of 'leading class'. Workers have now become second-class citizens, and rural migrant workers come in third. In spite of this, there has been virtually no large scale opposition on the part of workers, simply because they have never enjoyed any freedom of association, and decades-long political apathy and atomization makes them so fragmented that they are totally unable to face up to the ever-stronger one-party state. That is why even when there is opposition among workers it is confined to single factories and as such easily suppressed by the police.

In the face of such a tremendous social regression, women workers are doubly pathetic. As early as 1987, when the first wave of downsizing in the state sector began, women workers accounted for 64% of those sacked. Accompanying the downsizing was a fierce propaganda campaign to portray women as an inferior sex because of their ability to bear children--it is simply economically not viable to employ women, claimed the elite. Not only were women workers sacked, but young women, including recent college graduates, have been repeatedly rejected for interviews with employers simply because they are women. Even if they are able to find employment women's wages are lower than those of men. In 1990 wages for women were only 77.5% of those men, and in 2000 it was further lowered to 70.1%. In the northeast, once a major industrial center but now an area of severe economic conditions, unemployed women workers often become sex workers in order to raise their families. For each transaction they may only receive 50 *Yuan*<sup>3</sup> because of fierce competition, a result of the oversupply of sex workers.

<sup>3</sup> 1 *Yuan*=US\$0.13

### III. Working conditions in the EPZs

The 150 million migrant workers who have left the rural areas in search of jobs constitute a new working class that has formed alongside the old, and many of the new migrant workers are women. Under the one party state, working people are denied the basic rights of association; therefore they are totally extremely vulnerable to “super-exploitation.” Migrant workers are doubly vulnerable, because they are considered less educated and less skilled than urban workers, thus the market value of their labor is substantially lower. Because of the same reason, rural migrant women occupied the lowest tier of the pyramid of exploitation. These factors make the wages of migrant workers so cheap that it has attracted tremendous amounts of foreign investment.

There are some 800 EPZs (Export Processing Zones) all over the world, employing approximately 30 million workers. The Chinese EPZs employs approximately 20 million, accounting for two thirds of the world total. The Chinese figure speaks for the fact that China has become the favorite investment haven for transnational corporations (TNCs). Foreign Direct Investment (FDI) flows to countries where wages are exceedingly low, which implies a high rate of profit. Chinese wages are very low, even lower than India's, although China's GDP per capita twice that of India. China was awarded the title of ‘world factory’ for its huge exports. The title should read: ‘the world's sweatshop.’

The Chinese government adopted the first labor code in 1995, offering protection of wages, working hours, employment regulations and holidays, etc. Yet the code is rarely enforced. In most circumstances, local labor departments simply turn a deaf ear to workers complaints, sometimes even going so far as to press workers to give up their rightful claims. This greatly helps the TNCs and their sub-contractors to unscrupulously exploit workers, especially women workers, who make up the absolute majority of the working population in EPZs. In EPZs workers work from 12 to 14 hours per day. In times of rush orders, it is not unusual for workers to work from 8am to 10pm, and in some cases they may work until 2am. Many workers only have one or two days off per month, and some none at all. This of course greatly

exceeds the maximum legal working hours<sup>4</sup>. Workers find it hard to cope with such hard labor, but refusing to work overtime will result in firing. Only young workers in their late teens and early twenties can endure such inhumane hardship. When they reach their late twenties they will find it hard to continue, forcing them to resign on their own account, thus releasing management from the burden of paying any compensation if the latter fire them.

In EPZs the number of women far exceeds number of men, making it difficult for women workers to find male companions. Even if a woman does find a male companion, her family may oppose her choice if the man does not come from the same county, or for whatever reasons, and parents of migrant women generally discourage their daughters from finding partners in the cities. Moreover, some factories have rules that force women workers to resign if they marry. It is common for married couples who come to the same EPZ to live separately, each staying in their own factory's dormitory. Even when the couple work in the same factory, they still have to live in separate dormitories, making normal sex life impossible. If women workers get pregnant, very often the only choice is resignation, because they simply cannot continue to do such hard work, and management rarely transfers pregnant workers to less taxing jobs. The employers then need not pay any maternity leave, although workers are liable to such pay according to the law. In a word, women workers are seen as simple tools for the process of ‘adding value,’ not as humans.

In the city of Shenzhen, near Hong Kong, the minimum wage for 2006-2007 was 700 *Yuan* per month for the outer EPZ and 810 *Yuan* for the inner EPZ (for 2005-06, it was 580 and 690 respectively). Though these are the highest minimum wage levels nationally, they are still shamefully low. Yet the majority of migrant workers in China do not even get this level of wages--some may get as low as 300 *Yuan*, which is not even enough for decent food.

Many workers suffer illnesses due to overwork. Workers face many obstacles to maintain their health: the management's harsh policies of no sick leave and restriction on using toilets, high medical expenses

<sup>4</sup> That is 40 hours per week plus a maximum of 36 hours overtime per month, approximately 9.72 hours per day in average (8 hours + 36 hours/20.92 days/month)

charged by both private and public hospitals, etc. Most women workers suffer from menstrual pain, many become nearsighted<sup>5</sup> (particularly those who work in electronics plants), and many face such severe problems as occupational accidents and exposure to toxics. Apart from physical health, many women workers suffer emotional and spiritual damage from having to separate from their families, a lack of social support networks in the cities, sexual harassment, etc.

#### IV. Some special features of rural migrant workers

Although all women migrants face the same difficulties in the EPZs, there is little awareness among them of the need to organize to defend themselves. The main reason is first and foremost the repressive state, which we will later examine in detail. But apart from this external factor there is an internal factor that we should recognize. Rural migrant workers, though better educated than average rural residents, are still less educated than average city dwellers. As such, many not only lack self-confidence, but also lack some basic knowledge that should be required for all workers – for example, most of them have no idea about the labor code, and many tend to obey employers' instructions which may endanger their health or even lives. Secondly, while SOEs workers have some kind of collective identity due to their common experience built up over years in the *danwei*, migrant workers generally have no prior collective experience whatsoever. They very much inherited the individualism characteristic of individual farming households, particularly because most migrant workers were born during the 1980's after the last trace of communal life was dismantled. When this generation of young rural residents come to cities they are absolutely atomized. Many come from different provinces, and even when they come from the same provinces they may come from different counties with different regional dialects. When young migrants make friends they incline towards finding those from their home counties or at least provinces. When friendships are

<sup>5</sup> In a small scale study undertaken by us from December 2006 to January 2007, fifty-four workers volunteered to take eye examinations in an industrial area in the Pearl Delta. It was found that twenty-two of them (41%) had nearsightedness. Though it is likely that workers who already felt they that had vision problems would have been more interested in participating in the study and taking the examination, the very high rate of nearsightedness among these workers shows that this problem should be addressed.

confined within these dividing lines, provincial prejudices can develop which in turn further damage worker solidarity.

#### V. The regime of spatial and social apartheid

##### A. The *hukou* system (household registration)

The underlying reason for the deplorable conditions which workers are forced to endure is that the one-party state and its whole system of social control has been kept intact through the reform process. Workers are denied the basic rights of association, strike and freedom of the press, and are thus robbed of their main weapon for self defense from unscrupulous employers and corrupt local governments. On top of this, rural migrant workers are further repressed by another aspect of state control which amounts to a social apartheid directed against rural residents. As such, any analysis of the condition of workers in China cannot avoid an investigation into the state's *hukou* system.

*Hukou*, or household registration, may seem unremarkable in that many countries have such registration policies. But the Chinese model is fundamentally different from, say, the systems in Taiwan or Japan today, as the latter systems do not carry discriminatory or carry any repressive implications, at least for the present day.

The *hukou* system has a history of over two thousand years in China, and was established during the imperial era as a means of social control and to facilitate tax collection. When China entered into the modern period in 1911, first the "warlord" governments and then the KMT government continued to maintain the *hukou* system. However, it is under the CCP government that the *hukou* system's functions of political and social control grew to unprecedented levels. In 1958, after the policy of exceedingly rapid industrialization was inaugurated, the *hukou* system was greatly strengthened, eventually developing into a regime which systematically discriminates rural residents as second class citizens. Residents are entitled to different kinds of rights according to their *hukou*, ranging from physical mobility from the



rural areas to the cities or from one region of China to another, to the kind of social benefits different citizens may or may not enjoy. At the beginning of the decade, the *hukou* system was characterized by the following features:

1. It tied the residents to the city or the village where they reside. Changing the place of residence required prior permission from local authorities. *Hukou* practically became a life long or even hereditary identity for common people. Mobility between villages and between cities was highly controlled.
2. After the inauguration of the 'planned economy', all social benefits, including the provision of staple grains, housing, medical care and retirement benefits, fell under the power of the planning bodies, and all of these basic necessities were distributed to people only on the basis of their *hukou*. A person without a *hukou* was simply an outcast and had no means for survival whatsoever.
3. One of the chief roles of the *hukou* is to segregate the rural population from the cities, to bar the former from entering into cities, to keep them away from those social provisions and benefit which urban dwellers enjoy: the right to food, social security system, public housing, subsidized education, low priced consumer goods, etc.
4. *Hukou* is hereditary. Rural citizens and their children remain with rural *hukou* in almost all circumstances, except if they join the army or enroll in college. Further more, until 1998 the system would further discriminate against rural women. Children would inherit their rural identity from their mother rather than their father. The serious consequence was Chinese rural women were being robbed any chance of upward social mobility through marrying with an urban man. While a rural male migrant might be able to get urban residence permit through marrying an urban woman, a rural woman migrant could not. This was why urban men would resist marriage to rural women; otherwise their children would inherit their mother's rural *hukou*, a severe decline in status that few would accept. This regime was particularly designed to exclude rural women and their children from becoming permanent urban residents, thus relegating them to the status of third class citizens.
5. Household heads are responsible for keeping the 'household registration book' (*hukou bu*). This in practice gives the parents

power to interfere into their children's affairs. For instance, when their sons or daughters have to marry they have to produce their *hukou bu* for inspection by officials. If the parents do not approve their son's or daughter's marriage, they can prevent it by refusing to produce the *hukou bu*. Given the tradition of patriarchy in China, daughters are more vulnerable in this situation.

6. Until 2003, there were serious penalties for migrants who violated *hukou* system, including being fined, jailed or being sent back home (at their own expense--those having no money were required to perform forced labor to pay for the traveling expenses). As was shown in the case of Sun Zhigang,<sup>6</sup> sometimes failing to produce the proper documents could lead to physical assault and even death of the migrant.
7. People do not have the right to vote for local deputies to the People's National Congress if they do not have a local *hukou*, regardless of the fact that they may have been working or living in a given area for many years.

The *hukou* system has proved to be as useful to 'capitalist construction' as it once was for 'socialist construction'. It now acts a powerful force for pressing down the wages of rural migrants and preventing them from getting better jobs in the cities. It may not be able to stop them from resisting exploitations, but it does able to prevent them from organizing. Coming as they do from diverse provinces, being discriminated against, having a low self-esteem, being acutely aware of being alien and aware of the fact that they will sooner or later return home, the workers who make up this great army of migrant laborers find it exceedingly difficult to involve themselves in any long term organizing effort, let alone develop a class identity. While SOEs workers at least have local community networks which can provide some sort of support when troubles or difficulties arise, the mass of rural migrant workers who work in private factories do not have any such networks for support, thus the atomization of this category of workers is more severe than SOEs workers. Even if there are individuals who are ready to fight for their legitimate rights, the penalty faced by those attempting to independently organize workers is severe enough to deter most of

<sup>6</sup> Sun Zhigang was a college graduate from Hubei province. He was in Guangzhou in 2003. After failing to produce his temporary residential card he was arrested and then beaten to death by local paramilitary forces.

them. To sum up, the *hukou* system have acted as an effective tool in promoting the bureaucracy's project of re-integration with global capitalism, and the process have enriched the bureaucracy and the new entrepreneurs at the expense of rural migrant workers.

Since the middle of 1990's the *hukou* system has been gradually relaxed. First, rural residents were permitted to buy a temporary (usually one year) urban residential card, which allowed them to work legally. The fees for such permits gradually decreased to a fairly affordable level. Beginning from 1998, parents have been able to pass down their *hukou* either through the father's or the mother's line, hence the triple discrimination against rural women has been alleviated. In 2003, after the uproar surrounding the death of Sun Zhigang alarmed the authorities, the laws on jailing and repatriating 'undocumented' people (those failing to produce local *hukou*) were abolished. Thus the spatial aspect of the apartheid has now largely been eliminated. However, the substance of the social apartheid in general and the *hukou* system in particular remains intact. The permanent mark of being an outsider and second class citizen remains, and prevents migrant workers from achieving significant upward mobility in cities. Most decent jobs are still reserved for people who possess local *hukou*. Migrants can only get badly paid jobs. They still have no future in the cities, and may only work there for some years and then return to their home village. It is thus extremely difficult for them to develop long-term prospects in or perspectives on this alien environment. Although the *hukou* can now pass down to children either through the father or the mother, it is still very far from actual sexual equality. The elimination of legal inequality among sexes within the *hukou* system after 1998 does not imply the elimination of actually existing inequality. Rural women still in general receive less education, and women's proper role is still considered to be the one who looks after the family. Hence many women migrant workers, after working some years in the cities, have to go back to their home villages after they get married to look after their husbands and children. It follows that these women must see their residence in the cities as something temporary, even more temporary than what male migrant workers conceive.

## B. The local governments, their paramilitary forces, and their media

Since the reforms began, local governments have been encouraged by the central government to lure as much FDI into their areas as possible, and both the regime and the reform policy are so designed as to ensure that local governments and their officials have a vested interest in attracting FDI. First, local governments increasingly rely on income from taxes paid by foreign investors. Second, the careers of local officials very much depends on the amount of FDI they are able to attract. For instance, the Huizhou municipal government has made an official regulation that 'those officials who are able to make marked contributions in encouraging FDI will be rewarded with cash and in addition have their merit recorded. The record of merit shall be important criteria for their future promotion.' Third, SOEs that belong to municipal governments often closely collaborate with foreign investors, from close business partnerships up to joint ventures. In one of our cases, the Hong Kong based Gold Peak company has a very complicated share-holding relationship with various Huizhou city SOEs. Fourth, it is common for high-ranking officials, either in their own personal capacity or through their relatives, to directly or indirectly involve themselves in commercial activities--thus comes the term 'bureaucratic capital'.

To sum up, it is in local officials' own interest to lure the maximum FDI possible to their own areas. The most effective way to achieve this is to bring down the cost of labor. the price of labor can be brought down both through the action and inaction of local officials. When it comes to social and political control, local governments tend to enthusiastically implement all the repressive laws available to them to keep workers powerless, from laws that ban freedom of association to the *hukou* system. However, when it comes to those laws which protect workers, from the labor code to occupational safety and health (OSH) laws, local governments have little incentive to enforce them, and simply close their eyes to the violation of those laws by employers. Generally they do not even bother to promote public education on labor rights and occupational safety among workers. Local officials and employers share the same interest in keeping migrant workers unaware of what the laws require them to do.



The lowest level of local government in cities is the neighborhood committee, or in EPZs that once were rural areas, the village committee. These basic governing bodies often have their own paramilitary forces and are closely connected to local police and criminal organizations in the neighborhoods. They have no legitimate power to enforce laws, but in practice they perform the function of the police. It is these people who implement the regime of political and social control over local residents, especially the migrant workers. Though they are technically not allowed to bear arms, in fact they are generally armed with billy clubs, handcuffs, and even electric batons, and never hesitate to use them against migrants. The numbers of these local paramilitary forces are very often much larger than the regular police. For instance, the city of Foshan in Guangdong province has 11,000 police, yet local paramilitary forces number 38,000, i.e., three times the regular police. The continuous growth of their numbers is a response of the local governments to the huge influx of migrant workers. They target migrant workers because migrants are considered ‘*wailai renkou*’, literally mean ‘outsiders’, and people who are prone to engage in criminal activity. Thus a growing paramilitary force is needed to keep the social apartheid against the migrants intact. It is these people who make regular check on the papers of the migrant workers and seize any opportunity to fine them (whoever fails to produce the temporary *hukou* card will be fined).

13

Whenever there are workers’ protests, these local paramilitary forces will act as informers, provocateurs, and informal police. In 2004, 3000 workers from the Juxi shoe factory went on strike to protest forced over-time. The paramilitary forces of the industrial area where the factory resides arrested a dozen workers and jailed them for half a day in order to curb the strike. These paramilitary forces will also ensure that security guards of factories will work closely with them in monitoring workers. In the case of the Computime factory (described in detail below), the paramilitary forces took pictures of the protesting workers which resulted in two of them being arrested later. In many cases, both security guards of factories and local paramilitary forces come from the same local security company run by local officials.

Since the paramilitary forces are not employees of the central government, they are not paid with public money, but by levies

collected from local residents, including the migrant workers. This system has become a burden for local residents and it is indeed much resented by them. Unsurprisingly, the paramilitaries are most hated by migrant workers, and it is not uncommon for confrontations between the two sides to develop into riots.

All media are state owned and/or ultimately controlled by the government. It goes without saying that the media seldom care to report on the grievances of workers. However, there are differences between local media and non-local media (media from outside provinces or from Beijing). Local media tend to be much more intolerant towards reporting on local protests than those outside it. Failure to stick to this policy may end up in reprisals from local governments. Only media from outside provinces or from Beijing dare to report on these local incidents, because they are less vulnerable to local retaliation. This produces a very odd situation: because media is never free to report on local grievances, and the censorship on reporting on grievances outside its home cities is always more relaxed, workers engaged in action will approach media from outside the local in order to make their grievances heard, as happened in the GP case. The shortcoming of this tactic is that common workers have little access to reports published or broadcast by outside media, except those coming from China Central Television (CCTV).

The so called ‘local protectionism’ (*difang baohuzhuyi*) practiced by local governments not only results in stifling of the freedom of the press, it practically corrupts every institution run by local governments, from the judiciary to schools, from the transport department to public hospitals. In the GP case, local public hospitals colluded with the factories and government officials in concealing the truth of the cadmium poisoning.

One must, however, be aware that it is the central government which should be held politically responsible for the wrong doings of the local governments. It is Beijing’s policy to suppress every organizing initiative from workers by banning independent trade unions and strikes. And it is under the direction of the central government that the careers of local officials have become linked to the amount of FDI they are able to attract, hence the fiercely pro-business attitude of these

14

officials. Therefore it is not surprising to see phenomena such as the GP case, wherein the task force sent to the factories by the Health Department supported the local officials in their mishandling of the cadmium poisoning.

### C. The role of the ACFTU and the absence of freedom of association

Last year the All China Federation of Trade Unions (ACFTU) successfully pressed Wal-Mart to allow ACFTU union branches to be set up at its Chinese stores. The ACFTU officials hailed this as a victory for workers, but this is a gross exaggeration: more correctly, it is a victory for the officials, not the workers. Since the ACFTU unions were established, 2% of Wal-Mart workers' wages is deducted and transferred to the ACFTU as union dues. These dues are managed by officials who are unaccountable to the union membership. These unions bring little benefit to Wal-Mart workers, simply because the ACFTU cannot be seen as genuine representative of workers. The features of the ACFTU are as follows:

1. The ACFTU is the sole legal national trade union in China. According to the law, the founding of all lower level trade unions must be subject to the consent of the leadership of the ACFTU. Any attempt to found an independent trade union is illegal and subject to criminal charges;
2. The ACFTU is legally required to accept the 'leadership of the party', and there are no democratic mechanisms within the union whatsoever, thus leaving the membership with no way to express itself;
3. Before the market reforms, the ACFTU was known for its productionist position regarding the union's role in the 'socialist construction', meaning that the ACFTU regarded its mission first and foremost to help the management make the workers more productive. Since the 1980's the socio-economic policy of CCP has undergone profound changes, and management in both public and private companies have been given the power to fire workers. The

productionist position of ACFTU, however, remains unchanged, though now it is at the service of 'capitalist construction' rather than 'socialist construction', and the ACFTU branches have become partners of the management in both publicly owned and privately owned companies. A middle ranking Korean manager from the Korean Beijing Modern Car Company once praised the ACFTU branch in the company not for representing the interests of the workers, but for its help in making workers work through the night shortly after the factory was established, when manpower was lacking.<sup>7</sup>

4. In the private sector, it is not uncommon for the chairpersons of ACFTU branches to be personnel managers or middle or senior managers of the companies themselves. The union branches only exist on paper. We have never heard of any cases where an ACFTU branches has supported workers in a fight for justice against the management. In the GP case the head of the ACFTU branch did absolutely nothing to help workers know the truth of the cadmium poisoning.

We may add a few remarks on the All-China Women's Federation (ACWF) in passing. It is supposed to protect women from sexism and all kinds of oppression that target women. Unfortunately, it is as pro-establishment as the ACFTU. Rarely has the women's association --- like the ACFTU, it is the only legal national women association allowed by CCP --- ever protested against the inhumane conditions in the EPZs which women workers are forced to endure. Like the ACFTU, it is pro-management. The case of Anjia Shoe factory illustrates this. The factory is Taiwanese owned, and some 40 of its women workers were poisoned by chemicals when producing shoes. After women workers approached the ACWF for help, the ACWF came to agreement with the management, according to which workers got compensation far below what the law requires.

<sup>7</sup> Observing Trade Union Branches in Foreign Firms through The Third Eye, Biweekly Journal, internal edition. Also in the XinHua Net : [http://news.xinhuanet.com/banyt/2004-12/01/content\\_2281536.htm](http://news.xinhuanet.com/banyt/2004-12/01/content_2281536.htm)

## D. The repression of NGOs

It is widely argued that the marketization of a former command economy will bring about the growth of civil society. In China's case the situation proved to be much more complex and contradictory. Before the reforms, the one-party state was so absolute that not only were independent trade unions never tolerated, but practically no independent NGOs, even at the local or community level, were permitted either. After the reforms, this control began to relax a bit, but the government is still very far from formally recognizing the right to association. After the crackdown in 1989, the state council approved a new regulation on the registration and management of social organizations which required every social organization to affiliate with a supervisory unit. Put simply, this means that every NGO has to be watched over by the party, since all supervisory organizations must be Party-controlled. In 1998, a new regulation was implemented with even more restrictive details. For example, only one organization in any particular sphere of activity may register at each administrative level. Moreover, initial capital of 100,000 *Yuan* for national organizations and 30,000 *Yuan* for lower level organizations are required. All these requirements make it very difficult for grass root organizations to emerge. One way to set up an NGO is to create second-level organizations and then attach oneself to a registered social organization or university. Another way is to register as a business organization. These methods are of course not always accessible to average people, so a third method has developed--people form informal groups like salons and clubs (that enjoy no legal status). These legal or semi-legal methods to form NGOs have many drawbacks, and in no way do they substitute the need to enjoy full rights to freedom of association.

The restriction to the freedom of association makes it very difficult for labor advocates and activists to work for workers. In China, though the number is small, still there are intellectuals, lawyers, students and others who are willing to work for the welfare of common workers. Yet the restrictions to founding independent NGOs and the penalty for illegal organization will deter many well-educated citizens from helping workers. The few who dare to do so are mostly only able to engage in very low level activity, such as providing legal advice, OSH training, recreational activity, etc. And even these kinds of activities

are subject to heavy surveillance from the government, and some have been forced to cease operation after repeated harassment from officials.

## E. The factory regime

With a fiercely pro-capitalist central government and local governments doing business directly or indirectly, it is not difficult to understand why investors can go so far in trespassing the legitimate rights of workers. Apart from super-exploitation, factory managers generally impose numerous measures restricting the personal freedom of workers. These measures include:

- requiring a deposit from workers when being hired;
- requiring workers to hand over their identity cards to management when being hired (this has become less common in the past few years);
- refusing to give workers a copy of the employment contract as required by law;
- forbidding workers from resigning from the company at their free will (and according to the labor law)--they must first seek approval from management;
- the management implement strict discipline, and the breaching of which always resulted in workers being fined;
- dormitories are guarded by security guards and there are always various restrictions governing these areas--for instance, outside friends of workers are not allowed to enter the dormitories;
- security guards within factories usually have direct contact with local paramilitary forces and are in practice accountable to the latter. Since workers' wages are generally too low to enable them to rent houses outside, many of them have to be content with staying inside the dormitories, which are cheaper, implying that they are subject to constant monitoring;
- factories management closely collaborates with local government to enforce those laws which aim at strengthening political and social control.

While it is true that some of these measures have been relaxed in recent years, the substance of which are still in place. The result of these

measures is a barracks like factory regime, with workers under quasi-military discipline. The management of the Taiwanese, Korean and Japanese firms is especially famous for this.

## F. The dependent judiciary

It is common knowledge that the Chinese judiciary is not at all independent. The CCP generally views the judiciary as a tool to facilitate its rule. In fact, it so look down upon judiciary that many of the judges who hand down prison terms and even the death penalty to defendants do not even have proper legal qualifications at all. However, it is reported that in the majority of cases concerning labor arbitration, the courts have ruled in favor of the workers. Could it be argued that the courts are less biased towards the employers than local government? We do not have access to detailed statistics of court cases and are therefore unable to make definite statements on this issue. However, one must bear in mind that these court cases account for only a very small proportion of the total number of actual violations of labor rights. Most violations of labor rights go unreported, and in many cases workers simply are unaware that their rights have been violated because they have never been properly informed of the labor laws. When workers take their employers to the court, generally it is because it is absolutely beyond doubt that justice is on the side of workers. Moreover, the workers who do take their cases to court are usually more outspoken and more educated than most workers, and they have often already done a substantial amount of reading and preparation for their court appearances.

However, when cases involve local State Owned Enterprises, local officials, or very large corporations, then the courts may begin to show a clear bias in favor of the local entrenched interests regardless of the law. In the GP case, for example, in spite of very strong evidence substantiating the workers' claims the Huizhou court still ruled in favor of the company. In this case where local officials are so biased towards the large TNCs that they threaten workers who petition the central government with criminal charges, it is hardly surprising that the local court to rule in favor of GP. To this list one can also add the Stella case (more below).

To summarize, there are seven factors concerning the one-party state in general and the social apartheid in particular which help to keep migrant workers in their subordinate status:

1. the repressive regime at the factory level;
2. the paramilitary forces at local level;
3. the 'local protectionism' of local governments;
4. the fiercely pro-business and pro-government attitude of the local press;
5. the fiercely pro-business and pro-government attitude of the branches of ACFTU;
6. pro-government local courts;
7. the discriminatory *hukou* system.

In each case study below we can identify more or less the same repressive factors at work to discourage workers from organizing. Without eliminating this repressive regime it is extremely difficult to undertake any serious organizing drive among workers.

## VI. The beginnings of resistance

In spite of the repressive capacity of the government and factory owners, workers are beginning to resist. It was reported that, according to the Guangdong ACFTU, every year there are more than 10,000 strikes broke out in Guangdong. Another source reveals that it may be as many as 20,000.<sup>8</sup> According to our knowledge, unreported strikes are common. One Guangzhou<sup>9</sup> worker told us: "in our factory strikes are very useful and very effective. Whenever there are arrears of wages or the management introducing bad measures we will strike and it works."

In the past, the mechanisms of state despotism and factory despotism were exceedingly effective in curbing worker protests. Today, however, these same mechanisms are beginning to produce the opposite effect. We may argue that it is precisely the extremity of

<sup>8</sup>The Plight of the Chinese Poor, Huang Rutong, from [www.newcenturynews.com](http://www.newcenturynews.com)

<sup>9</sup> The capital city of Guangdong province.

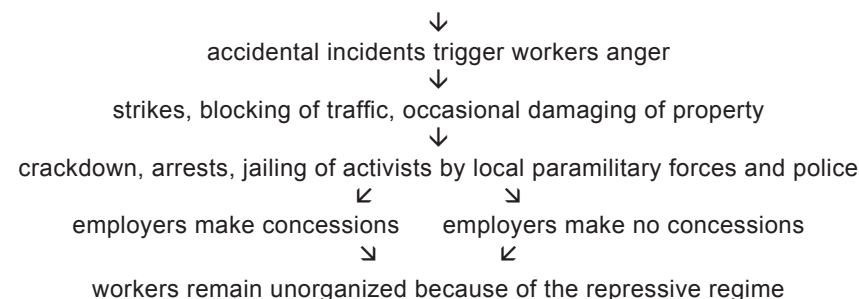
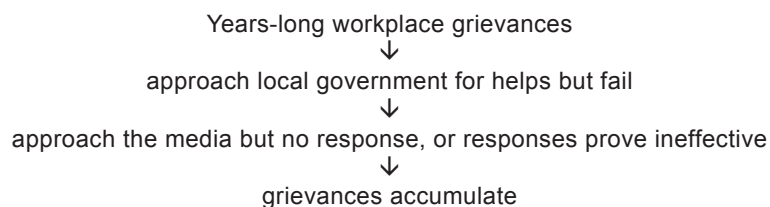


these repressive measures that are driving workers to fight back. In the cases of which we are aware, worker strikes are always the result of super-exploitation that has far exceeded the physical and psychological limit of the workers. In the Computime case, workers struck because they were paid 40% of the minimum wages for ten years! In the Juxi case, workers struck because of more than three months of forced overtime, during which they were forced to work late into the night. In the GP case, workers have struck because they were repeatedly lied to concerning their being poisoned by cadmium. There is a popular saying among workers:

“Big struggle big gain; small struggle small gain; No struggle no gain.”

In most cases, workers have first approached local labor departments with the hope that the latter would intervene on their behalf, and only when officials have repeatedly ignored their pleas have workers gone on strike. But most of these strikes have occurred spontaneously without prior planning. Well-planned strikes assume prior organization, but given the repressive regime from the central government down to the neighborhood committees and factory security guards, worker's organizations are too difficult to sustain. Prior organization work becomes an easy target for the management and local authorities. Countries where there are traditions of independent trade union movements and the existence of a layer of union cadres and activists may be more equipped to conducting prior organizing work without being easily targeted. In China's case, the lack of such a tradition and experienced activists makes organizing efforts doubly dangerous. Therefore planned strikes are rare. Often strikes are being triggered by particular incidents or affronts, and break out spontaneously.

Resistance often follows this general pattern:



As is shown in the GP case, younger and more educated workers are generally more militant than older and less educated workers. GP has two plants in Huizhou -- the ABT, which is older, and where workers are older and less educated, and the PP, which is relatively new and where workers are younger and more educated. Of the two, workers in the PP appear to be more ready to strike to have their grievances heard. In the Computime case, older workers were afraid of blocking traffic, fearing that they would be beaten by the police or paramilitaries. They told their fellow workers to quit rather than going on strike. But the younger workers insisted that justice was on their side and they must fight for it. Again, education also played a role—the more educated younger workers gathered labor code materials and argued convincingly that they had nothing to fear because it was as clear as day that it was the employer who was violating the laws. In all of the four cases below, no organization resulted from the workers' struggle, either because of external repression or internal fragmentation or both.

Women migrants are always considered to be more obedient, which is why employers like to hire them as the chief labor force rather than men. However, when abuses accumulate women workers, too reach a point where they can stand no more, and when they begin to resist they are at least as militant as men. In the GP case, for example, some women workers were more courageous than male workers in standing up against the employers. In the Stella case, women workers in the Xing'ang plant were the principal agitators. Earlier at another subsidiary plant of the Stella group, the Xinglai plant, workers had succeeded in winning some concessions through a strike. Xing'ang workers felt encouraged to do the same, but at first male workers were reluctant. Finally a large crowd of women workers gathered at the dormitories and yelled at the male workers, scolding them useless, exhorting them



to act as bravely as Xinglai workers did. The yelling and scolding aroused the courage of male workers, and they left their dormitories and gathered at the playing field. The fight back then began.

More workers are now learning that the only way to improve their conditions is to resist, and partial victories are becoming more common. Yet, even when workers have won concessions, there are few incentives for long term organizing. Not only is such organizing dangerous, the *hukou* system itself makes migrant workers, and women workers in particular, difficult to envisage any long term planning, since they have no roots at all in the cities. We can expect more spontaneous struggles among migrant workers, but for these struggles to become more organized, obstacles like the *hukou* system must first be removed.

Another obstacle which needs to be dismantled is the repression on basic civil liberties and trade union rights, without which workers will still be left without any weapon for their self defense against unscrupulous employers and officials. Formal equality in mobility is important but is far from enough from the standpoint of advancing workers' interests.

We can expect further relaxation of the *hukou* system in the direction of narrowing the social division of rural *hukou* and urban *hukou* in the medium term. But if the government is going this direction, it is also because it now finds the original system less useful as before. Until now, it has been very useful in helping the ruling elite to make capitalism reborn at the expense of the rural population. However, as the task is now completed, its usefulness is diminishing as well. We may even argue that as time goes by the *hukou* system may be seen by the government as obsolete, as it gradually comes into conflict with a new capitalism which more and more demands the free flow of human resources rather than its restriction. While the elites only see the relaxation or even abolishment of the *hukou* system as a response to the new needs of Chinese capitalism, workers should take this as their first step in their struggle for basic civil liberties, trade union rights and economic betterment.

## VII. Four cases studies

### Case 1: The Computime Case

Computime International is a Hong Kong based electronic company, and it has at least two factories in Shenzhen. Computime wholly owns one, and the other is a joint venture with a local company called Meizi Haiyan. It was at the latter that a protest broke out. The main grievance was that the wages were far below the minimum required wages. In Shenzhen the minimum wage was 610 *Yuan* in 2004-05, but workers were only paid 230 *Yuan*. Other complaints included forced over time, over-intensive labor at the assembly line, the company's refusal to contribute money to social benefits, etc. Prior to the incident, workers had repeatedly filed complaints to the local and Shenzhen city labor department, but the officials were simply indifferent to the complaints. On the morning of 5 October 2004, word that the management would soon lay off some workers spread across the plants. The next morning, 3000 workers from one of the factories, mostly women, went on strike and blocked the main road for 4 hours. Soon 1000 policemen were sent in by the Futian District police to forcefully evacuate workers from the main road. In addition to regular police forces, there were also security guards from the Futian security company (run by local officials). Four hours later workers were forcefully evacuated, and two workers were later arrested in the factory. Local paramilitary forces helped the police to identify the two through taking of pictures during the action. At 4pm, an initial agreement was reached between workers delegates, the management and local officials, which included the raising of workers' wage to the minimum wage.

The two arrested workers were released after being detained for 15 days. On 7 December 2004, the Shenzhen labor department fined the factory 1.96 million *Yuan* for violating the labor code. Since then workers have been paid the legal minimum wage, but at the same time overtime has been greatly reduced, so the total sum of wages is only slightly higher than the old wage level. Dormitories were improved after the incident. When workers were interviewed, they explicitly expressed that they were still not satisfied with the present wages. They have no plan to

stage another action in the near future.

After the incident, the Computime made a public statement that each month they paid the full amount of the minimum wages to Meizi Haiyan, but without their knowledge the management took away 60% of workers wages. We have no way to verify that statement. In any case, very shortly after the Meizi Haiyan plant closed and workers were never compensated with their unpaid wages.



1. Confrontation between workers and police. (Nanfang web site, 8 October 2004)



2. Workers began to disperse and police was directing traffic. (Same as above)



3. The road was blocked and drivers sat on truck top to see for themselves. (Same as above)



4. Women workers obstructed the road while police demanded them to get out of the road. (FengHuang Weekly Issue 31, 3 December 2004)



5. Women workers: deeply discontent with wages far below minimum wages. (NanFang Metropolitan News, 10th December 2004)



6. The CEO of Computime: for 15 years no one ever reported that workers has been receiving wages far below the minimum wages. (Same as above)



7. The manager of MeiZi HaiYan factory (subsidiary Computime) added her signature to the government notice which penalized the factory for paying wages below minimum wages. (Same as above)

## Case 2: The GP Case

Gold Peak Industrial Ltd. is an Asian TNC based in Hong Kong and Singapore. GP's electrical products are sold all over the world under different brand names. Its subsidiary GP Batteries began to move into Mainland China from Hong Kong in the 1980's to take advantage of the low labor cost there. In Guangdong province, Hong Kong capital accounts for two-thirds of FDI and employs more than 10 million workers. The GP Group has more than a dozen factories in China. As noted above, in Huizhou there are two GP plants: the Huizhou Advance Battery Technology Company (ABT) and the Huizhou Power Pack (PP) Company Limited. There are little more than 3000 workers in these two factories, mostly women. In fact, what distinguishes this

case from other cases in the Pearl Delta is that the leading workers are mostly women. In November 2003, a woman worker from the PP plant fell ill and then she sought medical tests on her own. Eventually it was discovered that she had an abnormally high level of cadmium in her body.

Cadmium is a kind of chemical used to produce batteries. It can cause cancer, kidney failure and serious bone pains. Once enters the body, it will take from 7 to 30 years to flush out. Affected workers will face health problems for years to come. European Union highly restricts the usage of cadmium and batteries contain the chemical will be banned from import beginning from 2008 because of its toxic properties. And it is common knowledge among battery producers that OSH training and protective devices are necessary when processing cadmium. However, GP provided no protection to many workers other than paper masks, which are totally ineffective because cadmium is a kind of fine powder that can be easily inhaled even through wearing paper masks. GP even went so far as to order pregnant women to process cadmium along side non-pregnant women. That is why children of women workers were also found high-level cadmium in their bodies because of daily physical contact between mothers and their children. Meanwhile the poisoning continued to spread to other plants. In 2005 it was also revealed that workers in the Jetpower plant in Shenzhen and the Hong Kong plant were also affected by excessive cadmium levels and some of them were diagnosed as poisoned. Altogether there were four GP plants - two in Huizhou, one in Shenzhen, one in Hong Kong - were affected. In addition, one environmental group found that there were higher than normal levels of cadmium in the local environment.

Soon news of the cadmium problem spread through the PP factory and workers demanded that the management arrange medical tests. After the management gave no response, workers then approached the local labor department to file complaints, but they received no response from there, either. After laborious negotiations and a strike, the management finally arranged blood test for several hundred workers on 25 May 2004. The results were soon released and showed that there was little cause for alarm: the workers' cadmium levels were only slightly higher than normal. But the workers became suspicious, and went to the Guangdong Provincial Hospital for the Prevention and Treatment of



Occupational Diseases to have medical tests on their own. The results were alarming: some of the workers showed much higher cadmium levels than the official tests arranged by the management had shown. Outraged, 500 workers staged a three day strike in June, demanding the truth and proper medical treatment.

On 12 July, more than 1000 workers from the ABT plant followed the example of the PP workers and went on strike as well. Several hundred took to the street.

*We prepared a lot of small red flags, which read 'Give us back our health!' We shouted the slogan and waved our flags on our way to the municipal government house. Two workers from Sichuan province took the lead. They were couples. The man shouted slogans with a loud hailer, and the woman waved the flag. Many husbands (though not GP workers) also accompanied their wives in the demonstration. Police cars came and tried to stop us but failed. The policemen told us that if we went on demonstrating our mayor would have to step down. One worker responded: 'So be it!'*<sup>10</sup>

29

More workers approached the Provincial Hospital for private medical tests but this time the hospital refused to do the tests, an act in clear violation of the law. More workers began to fall ill, and after they were sent to the hospital for treatment they were very often being sent back to factories very soon, without medication and without diagnosis.

At this time a Hong Kong based NGO, Globalization Monitor, learned of the case and released the news to the Hong Kong media. At once it made the headline in one of the biggest HK daily newspaper. Only after this did Mainland media begin to report the story, but they still tried to tone it down. On 23 July 2004, Globalization Monitor and thirty-three HK trade unions and NGOs forced their way into the GP building in Hong Kong to protest against the poisoning case. Shortly after, some of the GP workers received death threats. On 11 August, the Central Television made a more balanced documentary on the case. It brought hope to GP workers, and dozens of them decided to petition the central government in Beijing. In late August they set off for Beijing, but Huizhou police and officials tried to stop them from boarding the

<sup>10</sup> Interview with a GP worker

train. Though the officials failed to stop the workers, when the workers arrived at the Beijing station they found that the Huizhou officials were already there waiting for them--they had flown to Beijing while the workers were traveling by train and were therefore able to reach Beijing sooner. Though they did not dare to stop the workers from petitioning, they did closely follow them. To the relief of the officials, the workers met with the same indifference in the office of the central government that they had encountered earlier, and returned home with nothing.

On 3 September, fearing more confrontation both in Huizhou and in Hong Kong, the company finally decided to reveal part of the truth. Two workers were diagnosed with cadmium poisoning (later increased to eleven), and 177 workers as having a high level of cadmium and classified as under observation (later increased to 400).

The company agreed to pay a small amount of compensation to these workers, namely 3000 or 8000 *Yuan* for each worker, along with severance pay, contingent on their voluntary resignation. Moreover, in a joint statement with the Huizhou municipal government, GP warned the workers that if they petitioned Beijing again they would face criminal charges. The workers regarded the compensation as being far too little, but eventually nearly all affected workers took the compensation and resigned because they were afraid that the plant was now too poisonous to work inside as well as the repressive regime imposed upon them (a special task force was sent to the factories from the Huizhou government to oversee everything).

In early 2005, 65 PP and ABT workers decided to sue the company and demanded 250,000 *Yuan* in compensation for each worker. Soon another 244 workers followed suit. Between March and May the Huizhou court heard the case and later ruled in favor of the company despite very strong evidence provided by the workers.

The Huizhou municipal government has in various ways helped GP to evade responsibility for the poisoning case. The reasons behind are simple. Huizhou houses many electrical companies, including the SOEs of Huizhou – for example, TCL, now one of the largest Chinese electronic companies, belongs to the Huizhou municipal government.

30

Thus the city government has a common interest with GP to repress workers and to pay as little compensation to workers as possible. What is more, many Huizhou SOEs, including TCL, the Huizhou Desay industrial company, Desay Group Corporation, etc., all have business relations with GP, and in fact each of them holds shares in GP. Furthermore, the CEO of GP, Victor Lo Chung Wing, has developed close ties with well-placed government officials in Huizhou, and he is the largest individual shareholder of TCL. Lo was appointed to the Executive Council of Hong Kong government in late 2005 by the Chief Executive, Donald Tseng.

Between 2004 and 2006 Globalization Monitor staged four protests at shareholders meetings of GP as well as organizing GP workers to protest against GP. The CEO of GP then agreed to set up a medical fund for workers, but soon it became apparent that the fund is no more than a PR show which does little in improving the lives of the workers. In June 2006 GP sued Globalization Monitor, the Hong Kong Confederation of Trade Unions, and the Neighborhood and Workers Service Center for 'defamation'.

Since then a local and international solidarity campaign with GP workers and the three Hong Kong groups has been launched, involving International Confederation of Free Trade Unions, International

Federation of Chemical, Energy, Mine and General Workers' Unions, International Metalworkers' Federation, Netherlands' Union Federation etc. It culminated in a joint appeal between International Trade Union Confederation and Globalization Monitor for concern over the GP workers on the International Commemoration Day, 28 April 2007.

The GP case was reported by media on 3 July 2004 for the first time. (Oriental Daily, Hong Kong)



Five Women Workers waiting for the verdict (Chongqing Morning Post, 19 March 2005)



This woman worker carried a protest banner reading: the manager of GP told worker with cadmium in their bodies to jump from the tall and kill themselves rather than come and protested against the company. (Pictures by workers)



Rally in front of the GP plant to demand the respect of human rights when arranging workers for annual medical check up, 12<sup>th</sup> December 2005. (Pictures by workers)





Police arrived at the scene to monitor workers' protest. (Pictures by workers)



Globalization Monitors and international union delegates protested against GP on 13 December 2005. (Pictures by GM)



Same as above.



Same as above. (Pictures by GM)



Six GP workers coming to Hong Kong to protest against GP headquarter, 19<sup>th</sup> January 2006. (Pictures by GM)

### Case 3: The Stella Case

Stella is a Taiwanese owned company in Mainland China which makes shoes for Nike, Timberland, Clarks and other companies. It has four factories in Dongguan, Guangdong province, with a workforce of 35,000 in 2004. The factories are named: Xing'ang, Xinglai, Xingxiong, and Xingpeng. Stella manufactured 30 million pairs of shoes in that year, worth a total of 3 billion *Yuan*. All four factories experienced different degrees of violent workers protests in the same year.

Stella's factories are typical sweatshops. Workers there worked 60 hours a week, 10 hours a day. The average monthly wage was 700 *Yuan*, but after deducting the food and dormitory fees workers received only 500 *Yuan*. Workers were exposed to poisonous chemicals during the normal manufacturing process. The management style was kind of militarized control. Overtime work was not compensated as

stipulated in the law. Arrears of wages were common. There was also an immediate trigger for the protests. The brand company Nike, in its effort to promote CSR, requested Stella to operate strictly in line with the labor code's stipulation that workers be allowed to rest on Sunday. Stella satisfied Nike's request by making workers work more overtime on normal working days. This greatly intensified the work pace and also decreased their wages, because overtime pay on Sunday is higher than over time pay in normal working days. This new regime proved to be the single spark that started a prairie fire.

On 19 March 2004, two of the Stella Company's factories, Xinglai and Xingpeng, paid its workers 50 to 100 *Yuan* less than the previous month. When workers demanded explanation, the management said that it was workers' own fault, and that they should have worked harder and produced more. The workers could not accept the explanation, and 2000 workers struck and demanded negotiations. Workers' delegates also raised many other demands, including improving the food, forbidding corporal punishment of workers, etc. The management eventually conceded to the workers demands. The manager later recalled that they had not realized that 100 *Yuan* is a big sum of money to these migrant workers.

On 21 April 2004, in another Stella plant, Xingxiong, 1000 workers were paid 50 to 200 *Yuan* less than the previous month. They immediately responded with a riot: machines were smashed, cars overturned, and supervisors were beaten.

On 23 April, exactly the same thing happened once more in Xing'ang. At 11:30pm, great noises from 3000 workers echoed in the air. They were in the dormitories but they did not go to sleep, but rather yelling slogans: "Raise the wages!" "Improve the food!" Washbowls, cups, sandals and other items rained from all sides of the building. Then women workers appealed to male workers to act. When male workers failed to do so, the women workers (accounting for 70% of Xing'ang workers), in loud voices, criticized male workers as useless, that Xingxiong workers were braver than they. The yelling and scolding proved effective. Male workers marched down the dormitories and gathered on the playing field. Soon the situation slipped out of control. Some workers broke into the plants and smashed everything inside,

from machines to computers, overturned cars, and smashed windows. Police arrived but they were outnumbered.

After three hours of riots, the workers were tired and went back to the dormitories. The next day reprisals came. The management determined that they could not allow any concessions this time. Workers of the two plants were investigated. The police and the management forced workers to accuse each other, and those who made accusations against their fellow workers were rewarded with 1000 *Yuan*. On 24 May the police charged ten workers with 'disrupting social order'. After being jailed for four months, the charged workers were brought to court on 25 August. The trial was not fair, in that the defense lawyers were denied much of an opportunity to speak for the defendants. Eventually the workers were sentenced to three or three and a half years' jail on October 2004. Meanwhile the management sacked hundreds of workers or possibly even more, and resumed overtime work on Sunday.

After these incidents, labor advocates outside China campaigned for the release of the jailed workers and demanded that Nike, Reebok, Timberland, Adidas put pressure on Stella. It seems that the apparel TNCs did tell Stella to do something to alleviate the situation, and it was reported that Stella wrote to the court to request that the workers be released. In January 2005, the Dongguan court revised its verdict, and seven workers received probation instead of imprisonment, and three had their charges dropped. All ten workers were immediately released.

#### Case 4: Uniden --- The first conscious effort at organizing?

Uniden is a Japanese electronics firm, which has operated in China since 1987. It is a large company with 12,000 workers. The basic monthly salary for ordinary workers in 2004 was 480 *Yuan*, barely enough for survival. In order to earn 800 *Yuan*, workers had to work four hours of overtime in addition to an eight hour working day. Such low wages had always been the chief grievance. Another complaint was the bad food provided by the factory canteen. This and other grievances finally triggered a large strike on 10 December 2004. One

of the activists wrote,

*'In the morning when we went to work we all got a handbill in our lockers. We all understood that something was going to happen. And then at 4pm workers started walking out from the assembly line. Just imagine how it looks like when 10,000 workers gathered together. ....if the situation had not pushed them far beyond their physical endurance, these women in their teens would not have turned out but rather would have continued working like robots.'*

From that time until April 2005, five strikes were consciously organized, a very rare phenomenon in the EPZs. The striking workers even called for the founding of trade unions, of which common migrant workers have little or no concept. A preparatory committee for a trade union had been set up and started functioning. The reason for this is chiefly the fact that it was the middle ranking technicians and skilled workers who had been in the forefront of the organizing effort, and these people likely came mainly from the cities. They circulated handbills among fellow workers, placed their demands and reports on the internet --- requiring some skills which rural migrant workers are largely lacking. Rural migrant workers may have many grievances, but have little understanding of trade unionism. It was the layer of technicians and more skilled workers who gave leadership and more conscious direction to the ordinary workers. This was in contrast to the Stella case where ordinary workers simply rioted without any serious leadership, and failed to come up with clear set of demands. And it seems that no technicians or skilled workers ever played a leading role, although they may have taken part in it. Left to their own devices, migrant workers' protests tend to be spontaneous and short lived. Even in cases where some migrant workers raised demands, these tended to be quite narrow, targeting only the specific grievances which directly concern the workers undertaking action. There is little awareness of the need to generalize demands to encompass all workers and build solidarity.

However, the demands of the Uniden workers were much clearer:

1. *Basic wages should be in line with the minimum wage as stipulated by law;*

2. *The company must pay for workers' basic insurance as stipulated by law;*
3. *Women workers should receive one month of maternity leave<sup>11</sup>;*
4. *Compensation for overtime should be 150 to 300 percent of basic wages;*
5. *No compulsory overtime as stipulated by law;*
6. *Workers should be entitled to set up their own trade union;*
7. *No deduction of wages when workers take sick leave;*
8. *Workers should be given food and housing allowances;*
9. *Wages should be increased according to seniority.*

On 20 April 2005, Uniden workers struck again, this time coinciding with a larger anti-Japanese protest. Given the general sentiment at the time, the strike soon turned more radical, not only the right to form trade unions was raised but during actions some windows were smashed as well. The strike soon repressed by the police, as had happened during the past four strikes, and leaders arrested, jailed, or sacked. A woman worker was reported as saying,

*'Some officials from the local labor department told us we had to cooperate, or else investors would withdraw and move to somewhere else and we will be thrown out of our jobs.'*

Will such threats deter workers from protesting in the future? We can only wait and see. But back in December 2004, when the first strike occurred, a woman worker was reported as saying,

*'If we were men, there would have been a strike a long time ago. Women are easier to bully, but we have hearts of steel.'*

<sup>11</sup> Maternity leave should be 90 days according to the law.



### VIII. The gender dimension of workers' resistance

In three of the four cases, workers' efforts to fight back did improve their situations in different degrees. However, it seems that none resulted in any organizational efforts afterward. We believe that this is the general pattern of recent labor unrest. In fact, one characteristic of these protests are that few workers activists are willing to take the lead to officially represent their fellow workers when confronting the management or the police. Reprisal against leaders of protests has been a strong tradition for many decades, if not many centuries. Given that there is absolutely no organization nor even network which may provide support in times of repression, worker activists know very well that assuming leadership openly is extremely risky. They tend to hide among common workers even when they are taking the lead. In one of the large strikes in a Japanese firm in December 2005, government officials were sent in for arbitration, yet workers did not send any delegates to talk with them. And then the officials called out to the workers:

"Who are the leaders of this strike? Could they come out and speak to us?"  
No response from the workers.

The "leaderless" phenomenon of these strikes does not necessarily imply failure, at least at the early stage of actions. Rather, on one hand it makes workers feel safe in joining mass actions, and on the other hand, collective actions do give strength and confidence to workers and do bring pressure on the employers, and thus generally bring improvement for workers eventually. Needless to say, the weakness of this tactic is that it is always easy for management to divide workers by buying off a portion of them. From this perspective, provincial prejudices may act as a divisive element which eventually works in favor of the management. Therefore no action can last long enough to yield long term results.

There are of course cases where workers are brave enough to assume open leadership and act as representatives. The Uniden case is the most outstanding. And when there is more or less open leadership, it is always men who are at the head of the protests, even though women workers always account for the majority of the work force. Generally

women have been more reluctant than men to assume leadership. In the GP case it is women who are the leaders, which is quite extraordinary. This is probably due to the fact that the assembly line supervisors of GP plants are all women, and it was only when this group of workers, who are more educated and more experienced in coordinating actions, joined the struggle did it become more sustainable. Still, even in this special case these women workers leaders always find themselves too few in numbers and too isolated, and depend on the support of their husbands. The following is an interview with one of those women leaders after they were forced to leave the factories:

*Q: Does your family support your cause?*

*A: Yes, they do support me. But I know many of my fellow workers did not get their families' support and therefore do not dare to join actions. They just sign a name on our petition and that's it.*

*Q: But isn't XXX an exception?*

*A: Well it is because she does not live in the village (where the plant is located).*

*Q: What is the difference?*

*A: Workers who live in the village often rent some of their rooms to people from outside. If the GP plant closes, there will be no more workers, and that means no more potential residents to rent their rooms. That's why they are passive in taking actions.*

*Q: How about the other women workers?*

*A: Many of them are afraid of reprisals. You know there are still lots of them not yet have partners, and the fact that some women workers were threaten with divorce by their husbands (because of cadmium poisoning) makes them think twice. It is heartbreaking.*

*Q: But isn't it the case that now your fellow workers are more aware of their rights?*

*A: Yes, but too few of them are willing to stand up.*

*Q: How many will be brave enough to stand up for their rights?*

*A: Not more than ten.*

*Q: How about the rest?*

*A: Most of them support us, in a passive way. There are also some who want to hold us back.*

For female workers, the question of whether there is family support and

particularly the support of their husbands is crucial to their willingness to fight for their rights. The patriarchal system is still very much at work and cannot be left out in any discussion of women workers. Even in the GP case, where women workers have not only taken the lead but constitute the overwhelming majority of the leadership, the women still said that having even one male leader among them is essential because his participation makes them feel safe. We believe that this sentiment is not uncommon. It speaks to the fact that women migrants generally still see themselves as inferior to men. When further asked why then they were so determined to stand up for their rights, these women workers responded that it was only because they were angry, and women workers were very emotional when they find that they are being cheated by the management. In contrast, they said, male workers are more rational in figuring the pros and cons of actions. Though there may be differences in temperament between sexes, to argue that men are necessarily more rational than women is extremely dubious. What concern us here is that this kind of self-image necessarily affects women's determination to fighting independently.

41

## IX. Conclusion: Defending workers' rights and the role of NGOs

Once a GP manager remarked this to his women workers:

*"We thought you were all just fools, so we manipulated things and thought it would work. But it turns out that you are smarter than we thought."*

Although migrant workers in general and women in particular lack a collective identity as belonging to a working class, there is always a portion who are more advanced in their social thinking and are more ready to promote collective struggles. Even if they are small in number, they can play a leading role in these spontaneous struggles and forge a layer of labor activists through these struggles. If they have not been able to do this until now, it is chiefly because the one-party regime in general and the social apartheid in particular make the situation too harsh for labor activists to cope with. To this we must also add one factor: the general indifference displayed by intellectuals and students to the plight of workers and farmers. In Korea, the harsh repression during the military rule might not be less

severe than the repression in China today, but the continuous inflow of Korean intellectuals and students into the labor movement provided the latter with a layer of committed and capable cadres. Nothing like this happens in China.

However, we do not believe that all of these factors are impossible to change. In the long run, in the course of the current rapid industrialization and profound division between the rich and the poor, everything is bounded to be fluid. In fact, after living through more than a decade of sweat shop labor, the migrant workers have learned many valuable lessons. Today it is more difficult for employers to fool around workers by paying them far less than the minimum wage. Workers are now more aware of their rights, and more ready to fight for them. It will not be long before they will come to understand that they have to combine their economic struggles with the struggle against the *hukou* system, the paramilitary forces and the social apartheid in order to defend their basic rights as human beings. The *hukou* system and the paramilitary forces must be abolished altogether. These struggles, even if limited in their objectives (not yet challenging the one-party regime per se), will change the mentality of at least a portion of intellectuals and students. The uproar around the death of Sun Zhigang already signifies this. We have no reason to despair.

For the moment the space for labor activism is still very limited, but it does exist. It is still possible to work through formal or informal NGOs to serve the cause of workers. It may be that support from NGOs is not as crucial for workers in the state sector, given that these workers are generally more educated and have roots and network in the workplaces and the cities they reside. This is not the case for migrant workers, and particularly so for women workers, whose vulnerable situation we have discussed above. It is here that NGOs could be of great help in promoting public education on issues of labor rights among migrant workers.

On the other hand, under the present repressive regime, NGOs have to be non-confrontational to local authorities and even employers just in order to exist. They can only act in accordance with the laws, which are often narrowly defined and interpreted by local authorities, and thus NGOs cannot encourage workers to organize a union, nor can

42



they advise workers to organize strikes. All they can do is to provide legal advice. Even informal organizing is difficult, because all NGOs are closely watched and workers are under surveillance by district authority. However, in a country where the rule of law for practical purposes does not exist, acting within the laws itself is necessarily not effective even in the medium term. This is the main dilemma for all labor NGOs working in China.

That said, it is still worthy to do whatever work possible for Chinese workers--not only because it is better than doing nothing at all, but because in today's China, the promotion of elementary labor education still benefits common migrant workers. Even teaching them to use the internet will be of great help in the long run. In the course of empowerment these women workers will, sooner or later, become the first generation of workers activists and leaders. It is this hope that makes our present work, however limited in objectives and scope, meaningful.

Appendix

Lists of Abbreviations:

- ACFTU: All China Federation of Trade Unions
- CCP: Chinese Communist Party
- EPZs: Export Processing Zones
- FDI: Foreign Direct Investment
- GP: Gold Peak Industries (Holding) Limited
- KMT: Kuomintang, or Nationalist Party of China
- NGOs: Non-Governmental Organisations
- OSH: Occupational Safety and Health
- SOEs: State Owned Enterprises
- TNCs: Trans-National Corporations

February 2007

\* \* \* \* \*

References

A. Chinese Workers under Assault, Anita Chan, ME Sharpe, 2001.  
B. Communist Neo-traditionalism: Work and Authority in Chinese Industry, Andrew G. Walder, University of California Press, 1986.  
C. China and Socialism, Market Reforms and Class Struggle, Martin Hart-Landsberg and Paul Burkett, Monthly Review, Volume 56 No.3, July-August 2004.  
D. Dangdai Zhongguo Shehui Liudong (Social Mobility in Contemporary China), edited by Lu Xueyi, Social Sciences Documentation Publishing House, 2004.  
E. Unpublished interviews conducted by the authors of this paper.  
F. Xinchanye Gongren Jieji (The Class of New Industrial Workers), Xie Jianshe, Social Sciences Academic Press, 2005  
G. Zhongguo Nongmin Dagong Diaocha (Investigation on Chinese Rural Migrants Workers), Chinese Communist Party School Publishing House, 2005.  
H. Huji Zhidu (On Household Registration System), Lu Yilong, Commercial Press, 2006.