

Protests of workers and farmers

Social tensions rise in China

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Reports from human rights groups of protests by workers and small farmers in China over the last month provide a glimpse of the social tensions being produced by a slowdown in the economy, large-scale layoffs from state-owned enterprises and high levels of unemployment.

Last Sunday, about 500 sacked workers in the central province of Hunan blocked a national highway, creating a traffic blockage several kilometres long, in protest at unpaid wages and management corruption. The workers were from a textile factory in the city of Changde, about 200 km northwest of the provincial capital of Changsha. They were among 3,000 workers forced to take compulsory, low-paid leave and owed more than three months wages. The factory was previously the largest state-owned enterprise in the city, employing around 10,000 workers.

On January 11, about 1,000 farmers from Leibei village in Shanxi province took to the streets and overturned police vehicles to protest against the manipulation of local elections by officials. In recent years, the Beijing bureaucracy has permitted elections for local government but most local positions remain under the control of the Stalinist Communist Party, the only party legally allowed to organise.

On January 8, again in Hunan Province, as many as 10,000 small farmers from the village of Daolin near Changsha clashed with hundreds of police armed with batons and tear gas. One villager was killed when hit by a tear gas canister and up to 100 others were injured. The demonstration was one of a series of protests, which erupted after police attempted to disband, and arrest the leaders of, a local group known as the Society for Reducing Taxes and Saving the Nation, formed to protest against excessive and arbitrary taxes.

On January 4, about 100 farmers from Guoyuan village in eastern Jiangsu province clashed with police during a protest against high taxes. About 30 of the protesters were injured and at least 10 were taken into custody. Legally, taxes are limited to no more than 5 percent of total household income but local officials are known to frequently flout the limit.

The official *Farmers Daily* newspaper reported the

outcome of a legal case brought by a group of 12,688 farmers against officials in Zizhou County in central Shanxi province. The villagers claimed that the officials tried to collect taxes of more than one quarter of their annual income and beat farmers who were unable to pay the taxes due to a drought and crop failure. The court found some fees were unfair but took no action against officials.

These protests are symptomatic of broader social unrest. In the aftermath of the latest Hunan clashes, the *Hunan Economic Daily* reported there had been more than 60 mass protests in Changsha and 20 road blockages last year. But few demonstrations by workers or farmers are reported in the official press. Indeed, early in the month one activist, Zhang Shanguang, was sentenced to 10 years' jail for informing a reporter from the US-sponsored Radio Free Asia about a tax protest by a small group of farmers in Hunan.

The Stalinist leadership is extremely sensitive to any form of political opposition precisely because of the huge and growing social gulf throughout the country between a relatively small number of rich bureaucrats and businessmen, and the impoverishment of broad layers of working people.

Last year marked 20 years since Deng Xiaoping began opening up China to capitalist investment and encouraging the growth of private entrepreneurs and companies with his infamous slogan--"To get rich is glorious". Since then a layer of officials and entrepreneurs have made their fortunes by plundering state enterprises and funds, and acting as middlemen for billions of dollars in foreign investment.

For the rich, expensive cars, houses, household appliances and clothes are all available. As a recent article in *AsiaWeek* commented: "China's upwardly mobile want to be entertained, they want to be seen at the right places in the right clothes. They want to relax, go bungee jumping (well, maybe just a few of them), express themselves. They'll pay for the privilege. Just as long as they don't get bored."

Most Chinese are struggling just to survive. A gap has opened up between the relatively rich coastal provinces where the average GDP per head was more than 10,000 yuan

(\$US1,200) a head and the poorer inland areas like Hunan where it was far less. Averages, of course, are deceptive. Throughout China, many workers in state-owned industries are being sacked or placed on compulsory leave. Others have not been paid for months. One report indicated that the government has already sacked more than 10 million workers from state-owned enterprises and plans to lay off another six million in 1999.

According to a recent estimate by Ministry of Labour and Social Security researcher Ma Rong, the number of people looking for jobs is expected to reach 30 million this year. These include 11 million school leavers, five million laid-off workers and 170,000 demobilised soldiers. As a result of the slowing of the Chinese economy, he estimates only 14 million will find work, leaving 16 million urban workers or 11 percent of the urban workforce unemployed.

These figures, the highest acknowledged in any official publication, ignore the fate of an estimated 130 million in rural areas who are also unemployed. If they were included the jobless rate would reach 17 percent. The crisis in the countryside is being further compounded by the return of many of the millions who left for work in the Special Economic Zones (SEZs) and coastal cities. In 1996, China's Public Security Ministry introduced tough new laws for urban residency permits to stop peasants from working in the cities.

The City of Beijing employs some of the jobless to sweep the streets and perform other menial tasks such as cleaning and cooking. But for many in the Chinese capital, life is far grimmer. *AsiaWeek* cites the case of Gao, 30, an ethnic Korean who sleeps in freezing conditions beneath an underpass near Beijing Railway station. He lost his job as a Korean and Japanese translator, worked on a construction site and is now jobless.

Each day he goes to a "labour market" but there is no work. "It is risky hanging around because the authorities consider the market illegal. Gao was detained once and, since he could not afford to pay the 200 yuan (\$US24) fine, his ID card was confiscated, making job-hunting harder still. He says there is also the risk of being cheated by unscrupulous employers. 'They hire you and just before pay day, fire you, saying that you are not doing a good job.'"

Unemployment is certain to worsen as the economic growth rate drops. Officially, the figure for 1998 was 7.8 percent but a number of economists claim that the statistics are unreliable and the actual level is only 5 percent.

The Beijing authorities are clearly nervous about the political implications of such glaring social disparities. One of the reasons for the current anti-corruption campaign is to appear to be taking action against officials who are looting the state sector. On Chinese television, a program called

Focus Report exposes local corruption and mismanagement. Recently, in separate cases, a senior banker and Chu Shijian, head of one of China's richest corporations, were found guilty of bribery and embezzlement involving large amounts of money and sentenced to lengthy jail sentences.

These cases only highlight the endemic character of corruption that reaches right to the top. For two decades, the Chinese leaders have opened up the country to international capital and encouraged private businesses, including speculation in property and shares at the expense of state enterprises. Bureaucrats at all levels of government have sought to use the state resources under their control to establish themselves as part of an emerging bourgeoisie.

At the same time, the Stalinist bureaucracy rests heavily on direct state repression, particularly against any organisation of the working class. On January 12, police detained a retired driver for a state transport company in Tianshi, a city in western province of Tianshi Gansu. Yue Tianxiang's crime was to announce on January 4 that he was organising Chinese Workers Monitor to press for the rights of his fellow workers at the company and elsewhere. He is one of 2,000 workers owed pensions over the last three years.

Beijing has also cracked down on activists who last year attempted to form a new political party--the China Democratic Party. More than 30 people were arrested. Some, including the party's main leaders, were convicted of subversion in closed trials and sentenced to jail terms of up to 13 years.

This year marks the 10th anniversary of the Tiananmen Square massacre. As well as those who were shot, bayoneted or crushed by tanks in central Beijing, thousands more were arrested in a countrywide police dragnet and sentenced to long prison terms or shot. The harshest measures were meted out to workers and the leaders of embryonic workers organisations.

The Beijing bureaucracy today is just as determined to crush any political opposition, especially if it comes from the working class and threatens the burgeoning businesses of foreign investors and their local cronies.



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