

A glimpse of the working conditions being created by capitalism in China

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Billions of dollars in investment flood into China every year to take advantage of the cheap labour regimented by the state apparatus controlled by the Stalinist bureaucracy in Beijing. Despite claims that free market reforms improve living standards and working conditions of workers, the opposite is the case. Few reports appear in the international media but those that do reveal the prevalence of unsafe conditions, low pay and long hours, all enforced by threats and violence.

An article in the *New York Times* earlier in the year focused attention on the complete disregard for the health of workers in the shoe-manufacturing industry in Bishan County, near the major city of Chongqing in the south-western province of Sichuan.

It documented the uncontrolled use of carcinogenic benzene-based glues, the lack of masks and gloves and poor ventilation in hundreds of small, predominantly privately-owned workshops. As a result, large numbers of the 20,000 workers in the Bishan area have contracted blood disorders including severe anaemia and leukaemia. While benzene-free glue is available on the market, it is not used in the Bishan shoe plants because it is 30 percent dearer.

Doctor Chen Wanhui, a specialist at Bishan Hospital, said: "I see two or three new cases involving shoemakers every day. They come in complaining of dizziness, lethargy and poor appetite and say they find it difficult to work. Some need blood transfusions, while some only need medicines and they gradually get better. Some have no money and they just go away".

Many workers can no longer afford medical treatment after being forced into private enterprises and cut off the free health care system once provided by state-owned enterprises.

Chen Yiwen, the operator of a local health clinic, said: "Lots of people here work in the shoe factories, get sick, rest, go back to work, then get sick again. That's all you can do around here to make a living". A 46-year-old worker, who has suffered periods of severe anaemia, explained: "I need to eat, I need to survive". He described his job as "slow

suicide".

The exposure to dangerous and toxic chemicals is not confined to the shoemaking industry in Bishan but is widespread throughout China. Statistics on workplace chemical poisoning released by the Chinese Ministry of Health at the end of June showed that in just two months—April and May—there were 21 reports of acute chemical poisoning in work situations, involving 95 people, of whom 49 died. The figures for May showed a rise of 166.7 percent for cases of acute poisoning and an increase of 192.9 percent in deaths over the same period last year.

A previous government survey in the early 1990s revealed that 34 percent of workers employed by township enterprises—factories located outside of the major cities and owned either by private entrepreneurs or local authorities—had been exposed to toxic materials or chemicals at some point in their working life.

Safety and working conditions are so bad that companies now employ agents on a permanent basis to recruit a steady stream of people from outside the provinces in which the factories are located. Immigrant workers often from poorer areas have little choice but to accept whatever jobs are on offer.

Employers use the government's permit regulations and household registration system to intimidate and control the "guest workers". Each worker has to apply for a permit from their local government to work in the townships. If workers do not have the money to pay for the permit, the factory will advance a loan effectively tying them to the factory and the job. In addition, employers often charge a "deposit" of between two weeks to one month's pay. If a worker's employment is terminated or they leave without managerial permission, the deposit is not returned.

In some factories, management keeps a portion of the workers' wages each month and in other cases retains the permits and identity papers—practices that are illegal but that authorities turn a blind eye to. It is a system of bonded labour. Without documentation workers cannot go back to their village, change employment or even go into the street

for fear of a police identity check. Police periodically raid factories. Guest workers without permits are thrown into detention centres, and subsequently deported.

A study published in September 1998 by Anita Chan, a researcher based at the Australian National University in Canberra, provides further details of the harsh working conditions in many Chinese factories.

Chan refers to a letter sent to a newspaper by over 20 workers employed at Guangdong's Zhaojie Footwear Co, a joint state-owned and private venture, detailing the treatment of the workforce and the means used to keep them from leaving the plant. Many of workers, including children under 16 years, were recruited in Sichuan, Henan and Hunan provinces by company agents who lied about the conditions of employment.

"Those of us who came from outside the province only knew we had been cheated after getting here. The reality is completely different from what we were told by the recruiter. Now, even though we want to leave, we cannot because they would not give us back our deposit and our temporary residential permit. They have not been giving us our wages."

According to the letter, the company employs over 100 live-in security guards and has set up supervisory teams to patrol the factory. "The staff and workers could not escape even if they had wings. The only way to get out of the factory grounds is to persuade the officer in charge of issuing leave permits to let you go."

One worker from Henan, who was not permitted to resign, climbed over the factory wall to escape and was crushed to death by a passing train. Despite these extreme measures about 1,000 workers leave the factory every year.

The letter also detailed the regime inside the factory. "Being beaten and abused are everyday occurrences, and other punishments include being made to stand on a stool for everyone to see, to stand facing the wall to reflect on your mistakes, or being made to crouch in a bent-knee position. The staff and workers often have to work from 7am to midnight. Many have fallen sick... It is not easy even to get permission for a drink of water during working hours."

Chan explained in her study that such conditions are not exceptional.

Factory managers make up their own regulations and use a host of misdemeanours to dock workers wages. Fines and penalties are imposed for lateness, for not turning up for work, even in the case of illness, and for "negligent" work. Workers can also be fined for laughing and talking in the workplace, for loitering in company premises outside of working hours, for untidy dormitories and even for failing to turn out lights. In some cases, a substantial part or even the entire wage of a worker is appropriated through fines.

Restrictions extend to the number of times that a worker can go to the toilet and the length of time spent there. In one factory employees were fined two days wages for going to the toilet more than twice in a day. A survey of more than 1,530 workers found that such regimentation was widespread, as was the use of corporal punishment. Many factories also prohibited marriage, steady relationships and penalised women workers who became pregnant.

To enforce their rules, companies employ small armies of private security guards, often armed with electric batons and other weapons to patrol factories and dormitory compounds. These guards work closely with the local police who are brought in to suppress protests over working conditions, unpaid wages, layoffs and unpaid pensions.

Workers have no independent organisations and are denied the right to freedom of assembly and to collective bargaining. The existing state-run unions, which often have direct financial interests in the new private enterprises, collaborate directly with management in policing the factories.

Local union officials in Putian in the Fujian province, for example, agreed to the introduction of two to three hours enforced overtime every day and to the reduction of time off to only two days a month. This agreement ignored labour legislation passed in 1995 stipulating that workers were entitled to at least one day off every week.

These conditions are in stark contrast to the affluent lifestyle enjoyed by a relatively thin layer of state bureaucrats, party officials and their business associates now emerging as the new Chinese capitalist class. The vast gulf between the social position of the majority of working people in China and of this layer of budding businessmen, managers and financiers is fuelling tensions and future conflicts, which will almost inevitably take the most convulsive forms.



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