“Free market” Beijing: an on-the-spot report

A correspondent
29 July 2005

The World Socialist Web Site *is publishing this on-the-spot report it received from a correspondent in Beijing.*

Beijing provides one with a glimpse of the economic, social and political tensions building up in China. Everywhere throughout this massive city I can see glaring contrasts between rich and poor, old and new, modern technology and primitive conditions. In the midst of towering office complexes, elite hotels, glitzy shopping malls and teeming traffic, there are beggars, street peddlers, scrap collectors and weary construction workers.

My overwhelming impression is of a frenetic, forced-march to a free market economy, accompanied by pervasive advertising, exhorting ordinary people to aspire to the luxury living supposedly on offer under global capitalism. Ubiquitous billboards promote Chinese editions of lifestyle magazines such as *Cosmopolitan, Cosmo Girl* and *Bazaar*, American-style fast food chains (McDonalds, KFC, etc.) and new retail outlets like Wal-Mart and Ikea.

Giant building site hoardings advertise up-market housing developments, planned retail complexes and five-star hotels. Yet, beneath them, men and women forage through rubbish bins and trawl the pavements for empty plastic drink bottles, cardboard and other recyclable refuse. Alongside late-model European, American and Japanese cars, one finds hand-pulled trolleys, horse-drawn trucks, bicycle carts and pedal-driven rickshaws.

Expensive apartments are mushrooming across the metropolis, and sprawling from its outer reaches, usually behind high security walls. Countless thousands of giant construction cranes dominate the skyline. Much of Beijing’s old city environs, as well as Soviet-era housing projects built in the 1950s and 1960s, is being torn down to make way for office towers, retail and hospitality complexes and exclusive condominiums.

Across the street from my accommodation, a building site is operating around the clock, day and night, with no stopping for rain, rest periods or holidays. Safety appears to be virtually non-existent and I assume the same situation exists everywhere. The site is a jarring mixture of modern technology and primitive toil. Labour is so cheap and expendable that one sees workers digging out soil with shovels and loading bricks onto handcarts, then running downhill trying to control the load. Right beside them are crane towers and modern earthmoving equipment.

On this large project the workers—many of whom apparently come from the countryside—are housed in temporary dormitories on site. These appear to be cramped and sub-standard. When I attempted to photograph them, a security guard warned me off.

After a decade of wholesale demolition of old buildings, efforts are being made to preserve some of the traditional narrow “hutong” alleyways and small houses, particularly around the central Forbidden City (the former imperial palace) and nearby lakes. But, like everything else in Beijing, this is completely subordinated to the profit motive. I watched an English language program about “hutong living” on the official CCTV network, which featured interviews with well-to-do expatriates who were enjoying the relative quiet and seclusion of hutong townhouses for astronomical rents of $US10,000 per month.

Many such households, and those of the wealthy Chinese corporate and official elite, employ domestic servants and nannies who earn as little as 3 yuan (US36 cents) per hour. According to an article I read in the official English-language *China Daily*, an estimated 220,000 young rural women work as “domestic helpers” in Beijing, with hundreds more arriving each day on special trains from far-flung provinces.

Most of these women live in tiny rooms, on-call 24 hours a day, seven days a week. No labour laws protect them from exploitation, humiliation and sexual harassment. A voluntary industry code merely recommends that they have two days off each month, are allowed eight hours sleep per night and receive extra payments for working on public holidays.

The newspaper reports: “Nannies are usually expected to sleep with the baby they look after. They usually have to get up a couple of times during the night to feed and care for the baby, or simply to soothe them when they cry. Sleep or no sleep, they are still expected to work efficiently during the day.”

Wang, a rural migrant from Shaanxi Province, said she had worked for a family for two months, looking after a bedridden woman in her 90s, for only 500 yuan ($US60) a month. “I am practically house-bound 24 hours, seven days a week. Sometimes, I feel I am so depressed that I just have to get out.”

This “profession”, the article notes, is an old one “even though its popularity in mainland cities began to grow only 20 years ago”. In other words, although the article carefully avoided being explicit, two decades of “market reform” have produced such inequality that ancient forms of domestic servitude have returned to China.

While the article reveals something of the conditions faced by these women, it depicts the trend as inevitable. In fact, it appears to be officially tolerated, if not encouraged. The article comments that domestic workers have “become indispensable for busy urbanites” and “domestic service agencies have sprung up in connection with neighbourhood committees, some with the approval of the women’s federation, others purely as profit-making businesses”.

Apart from satisfying the requirements of China’s wealthy, it seems that national and local governments regard the meagre incomes earned by domestic workers, often remitted to their families back home, as crucial to alleviating rural poverty. For this reason, local governments financially support women when they first arrive in Beijing for a month’s unpaid training. These arrangements are one sign of the anxiety of the authorities to curb and contain the social unrest that is developing in both rural and urban China.

Equally lowly paid are the young people who work in the fast food

outlets, supermarkets, retail stores and restaurants. McDonalds' employees, for example, get just 4 yuan an hour, which is not even enough to buy the chain's smallest hamburger.

The Chinese leadership seems intent on cultivating the most avaricious features of capitalism. I read an article in the*China Daily* proudly reporting from Shanghai that "China's first reality television program to promote young entrepreneurs began yesterday in the nation's most business-minded city".

The show, "Wise Man Takes All," is based on "The Apprentice", the US program that features billionaire property developer Donald Trump "firing" contestants who fall behind in the program's money-making stakes. Contestants will submit rival business plans in a televised knockout to be held simultaneously in Beijing, Shanghai, Chongqing, Wuhan and Hong Kong. They will compete for a purse of 1 million yuan ($120,000) to invest in the business model that wins them the prize.

Vincent Lo Hong-shui, who has been dubbed the Donald Trump of Shanghai, launched the Chinese version at a press conference. In the words of *China Daily*, his "most celebrated development" is the "upmarket bar and restaurant enclave of Xintiandi near one of Shanghai's premier business districts".

Guo Yunfei, general manager of the China Business Network media empire, which is co-sponsoring the venture, told the newspaper, "we believe that only the person with the spirit and quality of a true entrepreneur should win".

The contestants and their audience are not the only ones being urged to take up a market mentality. At an academic conference held in Beijing, one of the papers delivered by a Chinese delegate outlined proposals to help accelerate urbanisation by breaking down the "collective" mentality of peasant communities. The author complained that peasants were reluctant to move to the cities because of "poor thinking for market adventure" and suggested transforming their collective assets into individual shares in order to overcome their resistance.

It is hardly surprising then that, since I have been here, I have not once heard or read the word socialism. The Chinese Communist Party's claims to represent Marxism and Leninism were junked some time ago.

As part of the shift to unadorned capitalist relations, efforts appear to be underway to revive various forms of religion to help assuage social discontent. I watched a CCTV documentary, for example, that highlighted the rehabilitation of Christian churches. Buddhist temples have been repaired as well, and the *China Daily* has praised the revival of the music of Taoism, an early Chinese religion.

Despite its intensive efforts, the Stalinist regime is having difficulty convincing workers and peasants of the virtues of "market adventure thinking". Beijing residents have told me that protests involving hundreds of people occasionally erupt against major construction projects and the evictions and dislocations that result from them. In the neighbourhood where I am staying, the authorities have been forced to compensate noise-affected residents, as well as make relocation payments.

Deep contradictions abound. Remnants of the gains made by ordinary people as a result of the 1949 revolution can be seen in facilities such as well-appointed libraries with readily-accessible internet computers, local cultural centres, cheap and reliable subway and bus services, and pleasant suburban parks and gardens, although "user pays" fees apply to some, as well as to other public services. Entry to the local swimming complex, for example, is 20 yuan.

In order to integrate into global capitalism, the ruling elite has little choice but to facilitate more open access to telecommunications and information, including increasingly prevalent mobile phones, SMS messaging and the internet. The media recently announced that China has 103 million internet users, the second highest number in the world after the United States. Despite strenuous efforts by the Chinese authorities to censor and monitor such access, this number will only grow—with users living in all parts of China.

On the surface, Beijing offers few signs of imminent social unrest. There is, for example, hardly any visible heavy security. Police and security guards do not carry weapons, except at sensitive locations, such as Tiananmen Square, where soldiers massacred demonstrators in 1989. There is no police presence on the subway. However, uniformed officers, like the guard on the building site, are plentiful. People need a police permit to reside in the capital, and apartment blocks have small offices at their entrances, where someone is always there to monitor residents' movements. Beneath the surface, the regime maintains close control over the population.

Beijing is not blighted by the extreme and widespread poverty, homelessness and slums one sees in similarly-sized Asian capitals such as Bangkok and Jakarta. Yet, heavy smog, polluted waterways and unhealthy tap water are testimony to economic backwardness and bureaucratic mismanagement, compounded by the unleashing of private profiteering. Soaring electricity demand during the summer heat has led to power restrictions in the capital, including some week-long industrial shutdowns. Outside the city, impressive motorways connect Beijing to other major centres, but these are privatised toll roads, with fees—10 yuan just to the airport for example—that are prohibitive for ordinary working people.

One indicator of social stress is the growing problem of suicide. The Beijing Suicide Research and Prevention Centre, which opened in August 2003, receives on average 900 calls per day. It remains drastically underfunded and under-staffed. The Beijing municipal government English-language newspaper, *Beijing Today*, found that 90 percent of calls get the busy tone.