

Foxconn suicides highlight China's sweatshop conditions

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Thirteen suicide attempts since January, half of them during May, inside Foxconn's huge plant at Shenzhen, a major manufacturing hub in southern China, underscore the brutal exploitation of Chinese workers by the world's largest corporations. Ten workers have died, most of them just 18 to 24 years old. In the latest tragedy, a young man slashed his wrists in one of the factory's dormitory last week.

Taiwanese-owned Foxconn is the world's biggest electronics outsourcing manufacturer, operating 20 plants and employing more than 800,000 workers in China. The Shenzhen plant in Guangdong province houses 400,000 workers, making products from iPhones and iPads to PlayStations for international brands like Apple, Sony, Hewlett-Packard and Dell. Analysts estimate that about 70 percent of Apple's products are manufactured there.

Most of the 13 workers who tried to kill themselves jumped from buildings because they were unable to bear the stress, alienation and humiliation they experience daily. They come from a second generation of migrant workers who, unlike their rural parents, have much higher expectations of urban life. They have access to the Internet and mobile phones and constantly see the vast new wealth that they help to create, but do not own.

Like other exporting companies, Foxconn's basic monthly wage of 950 yuan (\$US140) is in line with Shenzhen's official minimum wage. Employees must work hours of overtime each day to make about 2,000 yuan to meet basic needs. Their harsh experiences go well beyond low wages. Foxconn recruits must undergo a course of "military training" to prepare them for the company's industrial discipline.

Foxconn's military-style regime, which is typical of export factories in China, requires workers to live in dormitories with up to 10 people a room. A single dormitory houses 5,000 workers, and there are many dozens of them. Workers are only allowed to enter their own rooms with electronic badges and are not allowed to cook, or have visitors or sexual relations. The dorms have no air conditioning in order to pressure workers to do extra overtime during the summer, as there is air conditioning on the factory floor.

On production lines there are restrictions on how often workers may go to the toilet. They are under multiple security surveillance

and can barely communicate with each other. During shift changes, they are often organised in "platoons" for briefings, much like soldiers.

The resulting psychological impact can be seen in the comments of a Foxconn mobile phone assembly-line worker who told *Bloomberg* after his 12-hour overnight shift: "Life is meaningless." He said workers were yelled at constantly. Another college-educated worker in the product development department complained: "I do the same thing every day; I feel empty inside. I have no future."

Amid mounting outrage in China and internationally over the suicides, Foxconn has promised to hire psychologists to conduct check-ups on workers, and nets have been hung around factory buildings to try to prevent further suicide jumps. The management last month ordered all workers to sign letters saying that the company was not liable for suicide deaths. The contract was retracted after it fueled further public anger. Yesterday, the company announced it would increase the basic wage by 30 percent, rather than the previously announced 20 percent.

Foxconn's billionaire CEO Terry Gou flew from Taiwan on May 25 to make a public apology over the suicides. Within hours of his tour, however, another young worker jumped from a building. Appealing for support from international corporate giants, Gou told the *Wall Street Journal*: "I believe we are definitely not a sweatshop. It is very difficult to manage a manufacturing team of more than 800,000 people. There are many things to do every day. But we are confident we will be able to stabilise the situation very soon."

In an attempt to stem the damage to Apple's reputation, its CEO Steve Jobs declared at a technology conference in California on Tuesday that the deaths were "very troubling". Nevertheless, he defended Foxconn, saying the factory "is not sweatshop" but in fact "pretty nice". He claimed that Apple "does one of the best jobs" and was "pretty rigorous" in monitoring suppliers' conditions.

Apple's actual role can be gauged from an earlier suicide—that of Sun Danyong, who jumped from the 12th floor of a building last July after a fourth-generation iPhone prototype he was shipping

went missing. Foxconn's security division illegally searched his room and physically abused him during its investigation. He was accused of undermining Apple's commercial secrecy before the official release of its newest product.

Also coming to Foxconn's defence, the *Wall Street Journal* ran an editorial on May 27 blaming young workers for their own deaths. "Suicide clusters are a global phenomenon among young people, who are highly suggestible," it declared. "Foxconn's factory employees tend to join the company at age of 18 or 19, and stay for several years. So the atmosphere in its dormitories is akin to that of a large university, with the workers living away from home for the first time and encountering the usual new experiences. Several of the recent suicides seem to have been related to love affairs gone wrong."

Far from the Foxconn complex being a happy campus, the testimonies of a number of people who were working at or knew the factory, point to extremely oppressive conditions.

A teacher wrote to the BBC from China saying one of his former students worked at Foxconn. "She said that workers there can't find happiness and freedom. The factory is just like a jail. If you want to earn more money you must work overtime. Many migrant workers who want to fulfill their dreams cross China to work there. But there is an obvious gap between fact and dream. They can't afford the cost of living in Shenzhen with their salary. The high housing prices and living costs push them into more work day and night."

A Foxconn assembly line worker told *China Labour Watch*: "We are extremely tired, with tremendous pressure. We finish one step every seven seconds, which requires us to concentrate and keep working and working. We work faster even than the machines. Every shift [10 hours], we finish 4,000 Dell computers, all the while standing up. We can accomplish these assignments through collective effort, but many of us feel worn out."

Foxconn symbolises the rise of China as the "workshop of the world," based on low wages and regimented workforces, all enforced by a police-state regime. While Foxconn's plant in Shenzhen is like a mini-city, there are many such huge factories in China. Yue Yuen Industrial Holdings Co at Dongguan, another manufacturing hub in Guangdong, for instance, employs 50,000 to 60,000 workers in a single plant. About 80 percent are just 18 to 22 years old, also working 10 to 12 hours a day. The company is the world's largest sport shoes manufacturer, producing for brands like Nike and Reebok, with most of its 280,000 workers in China.

There is particularly intense pressure on Foxconn workers because the electronics outsourcing industry operates on a thin profit margin of about 5 percent, leaving most profit to the brand owners, technology patent holders, retailers and, ultimately, the financial system in the West.

While suicides have occurred in Foxconn previously, the wave

this year is a result of intensifying competition for the export markets due to the global financial crisis. While many of its rivals struggled with plummeting profits last year, Foxconn increased its profits by 37 percent, through more ruthless cost-cutting. Foxconn's 2009 revenue of \$60.8 billion is nearly equal to the combined sales of its nine top competitors internationally.

The Chinese government is deeply concerned about Foxconn's suicides, along with the recent strike at Japanese auto giant Honda's transmission factory in Foshan, which is also in Guangdong province. Both incidents demonstrate the discontent among China's multi-million workers.

Guangdong Communist Party secretary Wang Yang toured Shenzhen this week and called on the state-run trade unions to create "more harmonious relations between workers and employers". As these comments indicate, the unions act as instruments of the government and management, tasked with suppressing discontent. While Chinese officials and the state media pay lip-service to the rights of workers, they are anxious to prevent broader unrest. Over the weekend, Beijing instructed the media to play down the coverage of Foxconn, hoping that the issue would fade away.

The issue will only loom larger as the intensifying exploitation clashes with the growing social aspirations of a new generation of millions of young workers. The *South China Morning Post* commented on Monday: "Young migrants from one-child families currently dominate the workforce. They expect more than just a monthly salary, and their pampered upbringings make them unprepared to work under conditions in which they are treated as a robot."

While hardly enjoying "pampered upbringings," this generation is spearheading the explosion of Internet and communication technology use in China, and does have higher expectations than their exploited parents. As the Hong Kong-based newspaper warned, these demographic changes have far-reaching social and political consequences.



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