

The implications of the Shanghai truckers' strike

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The three-day strike last week by thousands of Shanghai truck drivers over rising fuel prices and fees has once again raised fears in ruling circles in China and internationally about the prospect of a broader rebellion of the country's massive working class.

After police intimidation and arrests failed to end the protests, Shanghai municipal authorities announced a reduction in port fees, rather than risk the strike spreading to other workers. The protests came to an uneasy end last weekend, but none of the underlying issues has been resolved.

The world's major corporations are acutely aware that global production and profits are heavily dependent on the exploitation of Chinese cheap labour and any disruption to the flow of parts and finished products could have calamitous economic impact. As the *New York Times* warned on Thursday, China's "export juggernaut has been fed by highly efficient factories, low-cost labour and a fleet of container ships", but a weak link is the trucking system that connects factories to seaports.

Despite heavy government investment into infrastructure, the cost of trucking in China's two main export zones—the Yangtze River Delta near Shanghai and the Pearl River Delta around Hong Kong—is far higher than in the US, even though Chinese drivers earn as little as 25 cents per hour.

As a result, independent truck operators are squeezed. Despite the rising cost of fuel driven by higher international prices and cutbacks to government subsidies, factory owners refuse to pay more to truckers. With 10 million trucks on Chinese roads, there is a vast oversupply of drivers competing for hauling orders.

The truckers' strike is symptomatic of the extreme social tensions throughout Chinese society. As around

the world, rising prices for food and fuel are impacting on working people throughout China. A new Asian Development Bank (ADB) report found that global food prices increased by 40.4 percent from June 2010 to February 2011, with sugar up 85.9 percent, cereals by 67.9 percent and edible oils by 65.9 percent.

The ADB report concluded that if food prices increased by 10 percent this year, an additional 64 million people in developing countries in Asia would fall below the poverty line of \$1.25 a day. Many of those will be in China, where an annualised food inflation rate of 11.7 percent was recorded in March. Chinese workers are also being hit hard by rising housing costs—the product of rampant property speculation.

The misnamed Chinese Communist Party (CCP), which presides over the country's frenzied and unstable capitalist development, regards any independent movement of the working class with trepidation. Millions of workers joined student demonstrations in Beijing's Tiananmen Square and other cities in 1989 because of anger over rising prices and official corruption.

Everything in China is writ large. The army and security apparatus that violently repressed workers and students in Tiananmen Square is substantial, but is dwarfed by the Chinese working class, which has grown in size and as a proportion of the population over the past 20 years. The latest census puts the urban population at 665 million people, or nearly 50 percent of the total, up from 298 million people, or 26 percent, in 1990.

The Stalinist regime in Beijing has nervously watched the unfolding "Jasmine Revolution" in North Africa and the Middle East. It has rounded up internet activists who have issued online calls for working

people to emulate the uprisings in Egypt and Tunisia. Already various web sites and bloggers have hailed the Shanghai truckers, with one noting that “the roaring of Shanghai workers had shaken China.”

The lesson of Egypt and Tunisia, however, is that spontaneous protests and strikes cannot by themselves resolve any of the basic issues facing workers. Egyptian leader Hosni Mubarak might have been forced to resign, but power remains in the hands of the officer corps, who will not hesitate to use repression to defend capitalist rule in Egypt.

Chinese workers should consider the outcome of the 1989 protests. Millions joined the demonstrations, but the leadership of the movement remained in the hands of “democrats” and figures like Han Dongfang, head of the Beijing Autonomous Workers’ Federation, all of whom sought a deal with the CCP regime rather than its overthrow. Their perspective was the extension of Chinese capitalism, not its abolition. Their manoeuvring gave the government time to regroup and send in the troops and tanks.

Last May and June, young workers at a number of factories, starting at the Honda transmission plant in Foshan, struck for higher pay and the right to form independent trade unions. To prevent the movement from spreading, companies with Beijing’s blessing, granted limited wage rises which have been rapidly eroded by inflation, but no independent organisation. Beijing is terrified of anything—unions, clubs, internet sites, even religious organisations—that could become a basis for the independent political mobilisation of workers.

The CCP has read the warning signs contained in the truckers’ strike and is preparing its state apparatus accordingly. As well as police-state measures, the regime desperately needs political mechanisms to disorient and contain a working class rebellion. Kong Xianghong, a senior bureaucrat with the state-run All China Federation of Trade Unions, recently told the *Washington Post*, “we realise the danger of our union being divorced from the masses”. Earlier this year he rushed to head off another strike by Honda workers by negotiating a 30 percent pay rise.

Significantly, in the midst of the government’s current crackdown on dissidents, the official *People’s Daily* published an unusual commentary this week calling for greater tolerance of different points of view.

The newspaper criticised officials who have “resorted to the charge of libel and even used their power to suppress such dissenting voices.” This appeal for tolerance is a cautious approach to the various “democrats” who might provide a crucial safety valve for a rebellion of the working class—as they did in 1989.

Workers have to draw their own conclusions. The fight for basic democratic rights and decent living standards inevitably means a political struggle against the CCP regime and the capitalist system on which it rests. Such a struggle necessitates the building of a political party based on the historical experiences of the working class—above all, the lessons of the political fight waged by the Trotskyist movement against Stalinism. That means the construction of a section of the International Committee of Fourth International in China.

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