

Thousands of Foxconn workers clash with security guards in China

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Taiwan-based Foxconn, the world's largest outsourcing electronics manufacturer, had to suspend production at one of its major facilities, in the northern Chinese city of Taiyuan, on Monday following a protest during which 2,000 assembly line workers clashed with 1,500 security guards.

The unrest is another sign of the rising social tensions in China, where the economy is slowing sharply due to the deepening slump in the major Western markets, threatening to fuel major working class confrontations with the Chinese Communist Party (CCP) regime.

There have been a growing number of strikes in China in line with emerging movements of the working class around the world, including the struggles by South African platinum miners, the strike by Chicago teachers and the ongoing protests opposing austerity by workers in Europe.

The Foxconn plant in Shanxi's provincial capital has 79,000 workers. It is part of the supply chain that makes components for major international corporations, including for Apple's new iPhone 5. Foxconn is the largest private employer in China, with 1.1 million workers, mostly young.

According to the British *Telegraph*, the unrest was sparked late on Sunday night after "a dispute between a worker and aggressive security guards in one of the factory dormitories spiralled out of control" and "thousands of workers streamed off their shifts and joined the fray against the plant's 1,500 security guards." The report noted witness accounts, posted on Internet blogging sites, that "grievances over pay and working conditions were also aired" and "the factory's

supermarket was also destroyed."

About 10,000 onlookers then became involved in the confrontation, forcing authorities to deploy 5,000 police officers to quell the disturbance. The participants, mainly assembly line workers, smashed security posts, factory gates and vehicles, including police cars.

The police only managed to bring the situation under control at 9 a.m. on Monday. As of Monday, the plant remained shut, with 35 paramilitary police trucks parked outside. Riot police guarded the factory entrance, warning workers over loudspeakers that a "criminal incident" had occurred and urging them to respect the law.

Foxconn said 40 people were hospitalised, with "a number of people" arrested. A *First Financial Daily* journalist who was at the scene claimed that at least 10 people were killed, but officials have not confirmed the report.

The company claimed that the confrontation was "not work-related". Likewise, the official Xinhua news agency and the police described the fight as nothing but a communal-style clash between employees from Shandong and Henan.

In fact, Foxconn's security arm is notorious for abusive practices against workers, as part of the company's military-style management. Online comments appeared on Chinese blogging sites suggesting that security guards beat up a worker who failed to present them with a pass to enter the dormitory, angering thousands of workers.

against security guards.

The *Shanghai Evening Post* recently sent one of its reporters undercover into the Taiyuan site, where he trained for seven days and then spent three days assembling the new iPhone's metal back plates. In the dormitory section where the protest erupted, he wrote: "The whole dormitory smells like rubbish ... There was uncleared rubbish outside every room. Cockroaches crawled out from my wardrobe and the bed sheets are dirty with ash. All the windows are barred."

Workers would be fired if they were found carrying any metallic objects. They had to sit still while working long hours. On the assembly line, they had to produce an iPhone 5 back plate almost every three seconds, and the reporter had to pick up each plate and mark four points, using an oil-based paint pen. "Every ten hours, I had to finish 3,000 back plates. After several hours, I had terrible neck pain," he wrote.

Foxconn first came to international attention when 14 young workers jumped to their deaths in 2010 because of the unbearable conditions. In a public relations exercise, Foxconn then granted token pay rises, but shifted more production from coastal regions to inland provinces where labour is cheaper. The company's contempt for workers remains unchanged. Earlier this year, Foxconn's billionaire CEO Terry Gou likened his factories to a giant zoo, declaring that it was not easy to manage one million "animals".

Like many outsourcing manufacturers, Foxconn is now expanding overseas. It has eight factories in Brazil, and its next major destination is Indonesia, where the average monthly wage is just one third of China's. Far from giving concessions to Chinese workers, Foxconn is ramping up the pressure on them, on pain of losing their jobs.

As a result, strikes and unrest have rocked Foxconn's plants since a threatened collective suicide by hundreds of workers at its Wuhan plant in January. In March and April, thousands of workers at the Taiyuan facility downed tools over the company's failure to deliver a promised wage rise for entry-level workers, who are typically paid 1,550 yuan (\$US245) a month. In June, a thousand workers at Foxconn's Chengdu plant rioted

Foxconn assembles 85 percent of iPhones, or more than 50 million sets a year. Earlier this year, following media reports exposing the company's sweatshop conditions, Apple CEO Tim Cook toured Foxconn's plants in China, professing concern for the workers who made his products. He said: "We care about every worker in our worldwide supply chain ... Any suggestion that we don't care is patently false and offensive to us."

China's vice premier Li Keqiang also feigned sympathy, asking Apple and other international corporations to be more "caring" to the millions of Chinese workers they exploited.

However, this posturing disappeared quickly, especially when the orders for the new iPhones arrived. In some places, authorities forced students into the Foxconn workforce in order to meet the targets. In Jiangsu province's Huai'an city, several tertiary institutes compelled thousands of students to become Foxconn "interns" for two months, making parts for the iPhone 5. In Henan province, local governments even subsidised Foxconn's payrolls to help it meet the production targets.

Foxconn and similar contract manufacturers throughout China and Asia are facing downward pressure on their profitability because of the worsening global economic crisis. Foxconn's net profit margin fell to just 1.4 percent in the second quarter of this year—down from 1.5 percent in the first three months. Its first half-year profit rose by just 0.5 percent, with deep losses from its handset manufacturing business.

With China's manufacturing contracting for 11 consecutive months, it is only a matter of time before far broader unrest erupts among the country's multi-million working class.



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