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A CRY FOR JUSTICE:

The Voices of Chinese Workers





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PREFACE

THE ACCOUNTS IN THIS BOOK, told in workers' voices from inside China, are drawn directly from radio interviews conducted by Han Dongfang, who was a leader of the Beijing Workers' Autonomous Federation (BWAFF), an independent labor group organized during the Tiananmen Square protests. Han today carries on the fight from Hong Kong, through the *China Labour Bulletin* (CLB), his radio broadcasts and other activities.

More than other authoritarian regimes in the last decades, China's dictators understood the significance of the kind and level of public unrest that expressed itself in the Tiananmen protests. They had followed closely the collapse of communism in Eastern Europe and the critical role played by the independent Polish trade union *Solidarnosc* and its leader Lech Walesa in those historic events. The Chinese authorities knew what they stood to lose if they permitted an independent workers' movement in China, and moved ruthlessly to crush the protests and the workers' movement.

To help readers to gain a fuller understanding of those protests, as well as the perspective of workers in China that are expressed in the interviews, this Preface touches on Han's personal story and reviews critical aspects of the contemporary Chinese labor and political scene.

In the late hours of June 3, 1989, combined infantry and armored units of China's People's Liberation Army (PLA) swept through the dark streets of Beijing, heading toward historic Tiananmen Square at the city's center. Tanks crashed through the barricades that the city's workers and residents had constructed at every major intersection. Those who attempted to impede the troops were shot and killed, or wounded. Certainly hundreds, and possibly thousands, died in the streets of Beijing before the break of dawn.

The ultimate target of the PLA was the leadership of China's fledgling pro-democracy movement, which had occupied Tiananmen Square.¹ That movement had started seven weeks earlier, growing out of small student demonstrations that followed the sudden death of Communist Party of China (CPC) General Secretary Hu Yaobang. Hu was a reformer who had been forced out of office by the Communist Party leader-

ship after the pro-democracy protests of late 1986 and early 1987. In April and May 1989, similar demonstrations mushroomed, growing into a national movement that captured the imagination of students and working people all over China. Its inspirational center was a nonviolent sit-in and hunger strike in Tiananmen Square, where protesters symbolically confronted the power of the Chinese state: On one side of the square was the Great Hall of the People (the meeting place of China's legislature, the National People's Congress), and in the middle of the square was the massive mausoleum containing the embalmed body of the revolutionary founder of the Chinese communist state, Mao Zedong. The protesters constructed their own icon on the square, a *papier-mâché* goddess of democracy which bore a close resemblance to the Statue of Liberty.

The original student demands focused on simple reforms: an end to official graft and corruption, free-

dom of expression and the press, and respect for the rule of law. As the weeks went on, the students also asked that the government talk with their elected representatives on how to achieve these goals. But the mildness of the student demands belied the significance of their actions. Their open defiance of the established authorities was a radical act in a nation long ruled by an authoritarian regime, and it shook the 40-year rule of the CPC to its roots.

On May 4, 100,000 Beijing residents marched in support of the emerging pro-democracy movement. The octogenarian CPC elders knew well the meaning of such an outpouring on this particular day: It was the 70th anniversary of the student protests of the 1919 May Fourth Movement. Those protests, supported by workers in Beijing and Shanghai, had forced the resignation of government ministers and spawned the nationalist, communist, and democratic movements that would modernize and revolutionize China.²

In 1989, the Communist Party leadership was particularly worried by signs of growing support for the student protests among China's working people and by the emergence of independent unions. The example of Eastern Europe and the crucial role of Poland's *Solidarnosc* trade union in breaking that communist regime was uppermost in the minds of China's communist leadership. They were determined to maintain their own rule, with brute force if necessary. Martial law took effect on May 20, but it had little impact, as local army units refused to move against civilians. Little more than two weeks later, massive contingents of the PLA, 300,000 troops in all, were brought from all other parts of China to invade Beijing on the express orders of the Chinese Communist leaders.

China's Workers Organize for Democracy

As word of the approaching PLA troops and violence spread across the vast expanse of Tiananmen Square, Han Dongfang slept fitfully inside a tent.³ A 26-year-old railroad electrician, Han was the elected spokesperson of the Beijing Workers Autonomous Federation, the independent labor group that had been organized during the course of the protests: It was, in effect, the first proto-trade union that China had seen

since the Hundred Flowers Movement of 1956-57. Han lived near Tiananmen Square and had been drawn to the earliest protests. A self-taught worker-intellectual, he was delivering speeches of his own before long, explaining how the Chinese constitution gave workers the right to organize their own unions. This right had been appropriated by the All China Federation of Trade Unions (ACFTU), the pseudo-union created and controlled by the Chinese state and the Chinese Communist Party. A week after the protests began, a small group of workers who had come together around them was taking the first steps to organize an independent union. By April 21, crowds in Tiananmen could be heard shouting the workers' slogans: "Down with official profiteering, eliminate corruption!" and "Stabilize prices and raise the wages of workers!" Their message drew the attention of the party elite: An authoritative *Peoples' Daily* editorial on April 26 condemned "an extremely small number of people with ulterior motives" who were "making unauthorized use of the names of workers' organizations [and] distribut[ing] reactionary leaflets." Immediately after the imposition of martial law on May 20, workers formed the BWAFF, and Han Dongfang joined the following day.

The Chinese authorities condemned BWAFF leaders as "ill-intentioned troublemakers" who would be arrested if they did not cease their activities. Nonetheless, Han and his comrades continued to work, building a union infrastructure, piece by piece. Li Jinjin, a graduate student of constitutional law with ties to leading reformers within the Communist Party, became a crucial ally of Han and the BWAFF, and helped craft its founding manifesto. "Our old unions," the statement read, referring to the ACFTU, "were welfare organizations. But now we will create a union that is not a welfare organization but one concerned with workers' rights."

The students who had initiated and led the pro-democracy movement did not grasp the importance of Chinese workers to their own goals. For all their remarkable courage, the students saw themselves alone as the "vanguard" of the movement, and often arrogantly dismissed the efforts of the workers as insignificant. Han had a rather different view, one much more firmly grounded in Chinese history and current reality. "You theoreticians," he told a meeting of intellectual reform-

ers to which Li had brought him, “can go on acting as the brains of the movement, and the students can give it its emotional spark. But unless the workers are the main force, the struggle for democracy will never succeed.”

“We Are Not Afraid To Die.”

If the students were blind to the potential power of the Chinese workers and independent unions, the conservative leadership of the CPC was not. Fully expecting that the state would move to suppress them, the BWAFF took whatever steps it could in the first days of June to prepare for a confrontation. Han counseled nonviolent resistance in the tradition of Gandhi and Martin Luther King, Jr. “If they use violence against us,” he said, “then we are unarmed, and we will not resort to the use of violence against them. We are prepared to go to prison, and we are not afraid to die.”

Exhausted after many sleepless nights, Han had just fallen into a restless slumber on the evening of June 3 when one of his comrades awoke him with the news that the PLA troops were shooting people as they advanced toward the square. He went outside, where he saw tracer bullets flash against the dark night sky. Shortly thereafter, a group of 15 to 20 young people pushed their way into his tent, insisting that there would be a bloody massacre in the square and that he must leave. He was China’s Lech Walesa, they told Han, and his destiny was to organize its *Solidarnosc*.⁴ Han initially resisted their pleas, but the group eventually decided the question for him, physically picking him up and half-carrying him out of his tent. Surrounding him so he would not be shot, they walked him to the eastern end of the square as the PLA troops approached from the west. Once Han was safely beyond the immediate fighting and near his home, they told him to leave the city, and they returned to Tiananmen to help others. Han never saw his young protectors again.

When the PLA armies finally entered Tiananmen Square, their first target was the black-and-red BWAFF banner.⁵

Han hid for a few days in the home of a friend, and then, without any realistic notion of what to do, he bicycled into the neighboring Hebei province with the naïve idea of traveling throughout China for a

year or two. He would meet and talk with workers and peasants, he thought, studying their conditions and learning about their aspirations in order to develop a meaningful strategy for starting to build an independent Chinese labor movement. A few days later, Han was sitting in a *café* and saw his face on a television screen: The Ministry of Public Security had placed his name at the top of the “most wanted” list of workers’ leaders of June 4. In the language of the state, he was a “black hand,” one of the chief “malevolent conspirators” behind the Tiananmen protests. Han’s plan to travel around China was clearly not viable. Recalling his own public pledge that if the workers were to face jail for supporting the pro-democracy movement and organizing independent unions, he would be the first to go, he decided to make good on his word.

Han returned to Beijing and walked into the Ministry of Public Security’s headquarters next to Tiananmen Square where he identified himself to a young soldier on guard. “I am Han Dongfang,” he said. “I understand that you are looking for me.” When a security official told Han that he had made a wise decision to give himself up and confess his crimes, he responded that he had done nothing of the sort. “I’m here to answer your questions and to take responsibility for what I did because I believe what we did was absolutely right.”

Han was never accused of any violation of Chinese law, but he was immediately subjected to brutal interrogations and physical torture which went on for months. The aim was to force a confession that repudiated his participation in the Tiananmen protests and the BAWF. He refused to comply.

When it became clear that Han Dongfang could not be broken, the Chinese authorities placed him in a cell filled with prisoners suffering from highly communicable tuberculosis. He contracted the disease and was denied medical treatment. To protest his imprisonment without trial and his ill-treatment, Han went on several hunger strikes and almost died a number of times. In crucial acts of solidarity, trade unions around the world, including the American labor movement, waged vigorous campaigns for his release, keeping his name and his cause prominent in the international public mind.

In April 1991, after Han had been nearly two years in prison, the Chinese authorities had Han’s family

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sign forms for his release. They had never been informed of his illness. A 90-pound Han was released from China's prison system so ill that he couldn't even stand up on his own. His right lung was so badly damaged by the tuberculosis that it would have to be removed, forcing Han to leave China for surgery and medical treatment, with the support of the U.S. trade union federation, the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO). Once he had recovered from the operation and his illness in the U.S., Han made a number of attempts to reenter China, starting in 1992. The Chinese authorities would have none of it, though, and expelled Han back to Hong Kong after every attempt.

In 1994, Han founded the Hong Kong-based *China Labour Bulletin* as a vehicle for supporting Chinese workers who were trying to organize.⁶ CLB serves as an information clearinghouse with a dual mission: to educate Chinese workers on the need for an organized labor movement and to build international solidarity with the struggles of Chinese workers. In 1997, Han began his *Labor Express* program on Radio Free Asia. Workers from all over China began to call in to his show with first-person narratives of extreme exploitation, unsafe and unhealthy working conditions, strikes, and other labor actions. Through these and other activities, Han Dongfang has continued his labor leadership role and become the irreplaceable advocate for Chinese workers and independent trade unionism in China.

The Chinese Labor Movement

When they organized the BAAF, Han Dongfang and his comrades argued that the Chinese constitution gave workers the right to establish independent unions. In theory, the CPC was the party of Chinese workers and peasants, and the Chinese state was com-

mitted to the welfare of its working people above all else. Moreover, the Chinese constitution formally recognized the freedoms of expression, press, association, and demonstration — all fundamental to the right to organize unions. But all the provisions in the constitution that recognize democratic rights and lay out democratic governance were a dead letter because of one clause that superseded all others and was always implemented: the one-party rule of the Communist Party under “the guidance of Marxism-Leninism-Mao Zedong thought.” In the traditional communist formulation, the state is the “dictatorship of the proletariat.” In communist practice, the dictatorship — not the proletariat — has been the ruling force in China and elsewhere.

How had the Communist Party come to exercise this dictatorship at the expense of Chinese workers?

An Arm of the State

Today, perhaps no nation's workers need union representation more than China's. Yet the government-controlled All China Federation of Trade Unions is a trade union in name only. It is an arm of the Chinese state and the CPC. The party appoints all ACFTU leaders. There are no genuine elections. Each of the ACFTU leaders comes from other high-ranking positions in the state and the CPC. A 1990 ACFTU document, written in the wake of the Tiananmen protests, explained the relationship this way: “The administration of union cadres by the [Communist] Party is an unchangeable principle.” The document continues:

Trade unions must resolutely oppose any organization or individual expressing political views countering those of the Party. ... On discovering the formation of workers' organizations which oppose the Four Cardinal Principles: [(1) to keep to the socialist road; (2) to uphold the dictatorship of the proletariat; (3) to uphold

A Wal-Mart Revolution?

Given Wal-Mart's position as the second largest corporation in the world, its heavy dependence on Chinese-based manufacturing for the products it sells, and its history of strident opposition to unions, the ACFTU Wal-Mart campaign especially has attracted a great deal of attention around the world. After a number of rebuffed overtures to Wal-Mart's top management, the ACFTU began to organize Wal-Mart's retail workers independently—an historic first for both the company and the ACFTU. All of Wal-Mart's 60 retail stores in China and its thousands of employees were organized, in a matter of months, by the end of September 2006. Some observers, including some U.S. union leaders who have established close relations with the ACFTU leadership, were quick to seize upon this development as evidence that the Chinese federation is remaking itself into a genuine labor union.¹

The truth is somewhat more complex. The ACFTU had, indeed, been pressuring the high-profile retailer since 2003 to accept federation units in its facilities, in accordance with China's Trade Union law. In November 2004, the company appeared to agree: "Should associates [employees] request formation of a union, Wal-Mart China would respect their wishes and honor its obligation under China's Trade Union Law."²

Despite these public pronouncements, no ACFTU units were created in Wal-Mart stores.

And then, in 2006, all of that changed. According to the *China Labour Bulletin*, it was the intervention in March, 2006 of Communist Party leader and

China President Hu Jintao, as reported on August 15, 2006 edition of the Beijing daily newspaper *Xin Jing Bao* (New Capital News), that drove the ACFTU's organizing success with Wal-Mart:

According to the ACFTU's records, On March 14 ... [2006]... CPC Central Committee General Secretary Hu Jintao issued instructions on a report titled A Situation Analysis on the Factors of Instability in Foreign-invested Enterprises in China's Coastal Area, and Some Proposed Countermeasures. Hu Jintao ordered: "Do a better job of building Party organizations and trade unions in foreign-invested enterprises." This created a new and opportune moment for union [ACFTU] building in foreign enterprises. On March 16 the ACFTU instructed its staff to study Hu Jintao's comments, and it set the target of unionizing 60 percent or more of the country's foreign-invested enterprises by the end of 2006, and 80 percent or more by the end of 2007.³

Armed with their familiar mandate — ensure worksite stability — the ACFTU churned forward. Not surprisingly, in light of the high level of regime interest in the issue, Wal-Mart suddenly became compliant. But compliance did not necessarily signal a change of heart regarding unions. As noted by the *China Labour Bulletin*:

Asked to explain why the company had made this concession when it refuses to allow a union presence in its stores in all other countries, [company senior spokesman

Jonathan] Dong. ... replied: "The union in China is fundamentally different from unions in the West. ... The [ACFTU] has made it clear that its goal is to work with employers, not promote confrontation."⁴

Given the dubious provenance of Wal-Mart's "organizing" campaign, Han Dongfang has expressed some skepticism:

"A litmus test will be how the ACFTU responds if the recently elected Wal-Mart union officers start demanding better working conditions and wages from the bad boy of the international retail industry," he said.⁵

Indeed, a full year after the first Wal-Mart stores were organized, *Wall Street Journal* reporters found that most ACFTU representatives were "unused to agitating, preferring to hang out at union clubhouses outfitted with amenities such as karaoke machines."⁶ They were more interested in collecting the twice monthly dues from workers than in advocating for them with Wal-Mart. The few local ACFTU representatives with an inclination to address workers' needs have been unable to make any headway, given the legal limits on collective action. Gao Haitao, head of the Wal-Mart Nanchang Bayi Square local union, was completely thwarted in his efforts to discuss the issue of wages. "I feel helpless," he told the *Journal*. Han Dongfang now describes the Wal-Mart locals as "an instant-noodle union" that "gives people false hope."

Still, Han argues that Chinese workers should take advantage of every bit of political space the Chinese state and CPC leave open, including the govern-

ment's claim that workers have the right to belong to a union — even if only the ACFTU. Accordingly, he says, Chinese workers should look for opportunities to take over ACFTU locals at Wal-Mart and elsewhere.⁶

¹ "New Approaches to Promoting Labor Rights in China" in *Global Labor Strategies Blog*, June 7, 2007,

http://laborstrategies.blogs.com/global_labor_strategies/2007/06/new_approaches_.html and Mei Fong and Kris Maher, "U.S. Labor Leader Aided China's Wal-Mart Coup" *Wall Street Journal*, June 22, 2007.

² "Wal-Mart Unionisation Drive Ordered by Hu Jintao in March - A Total of 17 Union Branches Now Set Up, *China Labour Bulletin*, August 15 2006."

³ Ibid.

⁴ Ibid.

⁵ Han Dongfang, "Enter the fire-breath-

ing dragon?," *South China Morning Post*, September 30, 2006, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=39413&item%5fid=39412>.

⁶ Han Dongfang, "It's Our Union - And We want It Back," *International Union Rights*, January 4, 2005, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=4607&item%5fid=4066>.

the leadership of the Communist Party; (4) to uphold Marxism-Leninism-Mao Zedong Thought] and endanger the national regime, the trade union must immediately report to same-level party committees and senior-level unions, and must resolutely expose and dissolve them. When necessary, the unions should demand the dissolution of such organizations by the government in accordance with the law.⁷

Take the story of Liu Youlin, a 29-year-old migrant clothing worker.⁸ While ACFTU officials sat on their hands, Youlin organized a group of workers to force the establishment of an ACFTU local branch at Neil Pryde, a foreign-owned sportswear factory in Guangdong province. At the meeting to elect the officers of the new union, the local ACFTU chief proposed a government-approved slate, the only one allowed on the ballot: "For union committee member: two workers and two company managers. For vice chairman: the human resources director [of Neil Pryde]. For chairman: Huang Hongguang, a top factory boss." Youlin and others objected, but to no avail. In the end, the workers refused to vote for the company bosses who then didn't get a majority. That left a stillborn union without any elected leadership.

As workplace conditions for Chinese workers have deteriorated under market reforms, the ACFTU has signally failed to evolve into a genuine advocate for labor. In 1982, the "right to strike" was removed from the Chinese constitution on the theory that there were no longer class contradictions between workers and capitalists in "socialist" China, and thus no need for strikes. China's Trade Union Law now mandates that in cases of strikes and other job actions, the role of the ACFTU is that of a strikebreaker, to "... assist the enterprise or institution in making proper preparations for resuming work and restoring work order as soon as possible."⁹

After June 4, 1989, those ACFTU leaders who had expressed any sympathy with the autonomous workers' organizations of the Tiananmen protest were purged. The new ACFTU director, Ruan Chongwu, proclaimed that "no trade unions opposed to the party are allowed to be established."¹⁰ When ratifying the International Covenant on Economic, Social, and Cultural Rights (ICESCR) in 2001,¹¹ China specifically reserved from its endorsement the section guaranteeing the right to form and join the trade union of one's choice, the same position it has long held with respect to the norms and conventions of the International Labor Organization (ILO).¹²

A New Day for Labor Rights in China?

In recent years, the Chinese state and the CPC have faced growing pressure from increasingly widespread labor protests — tens of thousands of them annually by the government's own accounts. Increasingly fearful that political stability and "harmonious development" could fall victim to a growing tide of class struggle, China's rulers have taken new initiatives to secure labor peace. Invoking the nationalist themes of the early Chinese labor movement, the state has targeted international capital: An influential 2005 government report blamed growing income inequality and labor unrest in China on the failure of foreign-owned enterprises to obey labor law.

Two high-profile examples of the regime's strategy are an ACFTU campaign to organize local units in enterprises owned by multinational corporations; most notably Wal-Mart's retail stores (see sidebar) and an effort to update individual employee contract law. But international firms have become so accustomed to the super-exploitation of China's workers

that they see even law enforcement and the mildest of legal reforms as a threat.

For example, multinational corporations Wal-Mart, Intel, Google, and Microsoft, acting through the US-China Business Council and the American Chamber of Commerce in Shanghai, fought the effort to update the labor contract law, which was eventually adopted in June 2007.¹³ The new law represents a significant first step forward in labor rights protection, by making it harder for employers to fire workers and by extending labor-law safeguards to city-based migrant workers from the countryside.¹⁴ While generally prioritizing limited individual rights over collective organization, the law does authorize collective bargaining by ACFTU locals for the first time. But there is little reason to think that local governments will enforce the new law any more faithfully than they did the previous labor legislation.

The comments of a top Chinese legislator support this view:

“If there is some bias in the application of the law, it would be in favor of foreign investors because local governments have great tolerance for foreign investors in order to attract and retain investment,” Xin Chunying, Vice-Chair of the Legislative Affairs Commission of the National Peoples’ Congress, told the *South China Morning Post*. “Even if [the companies] violate labor laws, [officials] are still hesitant to resist them.”¹⁵

Nor is there much realistic hope that an ACFTU hierarchy, which has seen its mandate to “help managers monitor and control workers,” renewed from the highest levels of the party, will transform itself into its polar opposite — a forceful advocate of independence, collective bargaining, higher wages, improved benefits, and safer working conditions.

Conclusion

For more than half a century, the Chinese state and the CPC have functioned as a mighty dam, containing the Chinese working people’s pursuit of justice and keeping it from running its natural course. Yet, as the stories of workers’ struggles in this book so vividly illustrate, this containment is becoming increasingly difficult. Year after year, workers’ protests against exploitation grow in number and intensity. The regime thus far has managed the crisis skillfully.

Above all else, Chinese working people now need and want the freedom to organize their own unions. If there is to be progress in China, especially in the field of democratic governance and human rights, and if the Chinese economy is to move into a pattern of sustainable and more equitable growth, China’s workers must be free to organize and join their own unions.

¹ For the story of the 1989 democracy movement and the Tiananmen Square protests, see *Human Rights in China: Children of the Dragon: The Story of Tiananmen Square* (New York: Macmillan, 1990) and Zhang Liang, compiler, Perry Link and Andrew J. Nathan, eds. *The Tiananmen Papers: The Chinese Leadership's Decision to Use Force against Their Own People - in Their Own Words* (New York: Public Affairs, 2001).

² The May Fourth Movement was a response to the Chinese government's capitulation to the Treaty of Versailles, which gave the Japanese control of parts of the Chinese province Shandong — most importantly, of the port city Qingdao. On the May Fourth Movement and its legacy, see *Chow Tse-Tsung, The May Fourth Movement: Intellectual Revolution in Modern China* (Cambridge, MA: Harvard University Press, 1960). Also see Vera Schwarcz, *The Chinese Enlightenment: Intellectuals and the Legacy of the May Fourth Movement* (Berkeley: University of California Press, 1986). On the significance of student movements in 20th-century Chinese history, see Jeffrey Wasserstrom, *Student Protests in Twentieth Century China: The View from Shanghai* (Stanford: Stanford University Press, 1991).

³ For Han Dongfang's biography and the story of his role in the Tiananmen protests and the organization of the Beijing Workers' Autonomous Federation, see George Black and Robin Munro, *Black Hands of Beijing: Lives of Defiance in China's Democracy Movement* (New York: John Wiley & Sons, 1993). See also "Chinese Labour Struggles: An Interview with Han Dongfang," *New Left Review* # 34, July-August 2005, <http://newleftreview.org/?view=2571>. The quotations in the text are drawn from these two sources.

⁴ *Solidarnosc* was the independent Polish trade union that played a pivotal role in the collapse of communism in Eastern Europe, and Lech Walesa was its most prominent leader. Han Dongfang has always responded with humility to statements that claim for him the mantle of China's Lech Walesa. A real Chinese labor movement will have many Lech Walesas, he has said.

⁵ The most brutal and violent repression that night was directed at the laobaixing — workers and ordinary citizens who were supporting and defending the student protesters — not at the students themselves. See Robin Munro, "Who Died in Beijing, and Why," *The Nation* 250, no. 22, June 11, 1990: 811-822.

⁶ For more on the work of the *China Labour Bulletin*, see its web site: <http://www.clb.org.hk/>.

⁷ As quoted in "China: Trade Unions and Workers," the Global Labour Institute, http://www.global-labour.org/trade_unions_and_workers.htm.

⁸ Joseph Kahn, "When Chinese Workers Unite, The Bosses Often Run the Union," *The New York Times*, December 29, 2003.

⁹ Stephen Diamond, "The 'Race to the Bottom' Returns: China's

Challenge to the International Labor Movement," Cornell Law School Working Papers 10 (2003), <http://lsr.nellco.org/cgi/viewcontent.cgi?article=1010&context=cornell/clsops>.

¹⁰ As quoted in Elizabeth J. Perry, "Labor's Battle for Political Space: The Role of Worker Associations in Contemporary China," *Urban Spaces in Contemporary China*. Op. Cit., p. 319.

¹¹ The ICESCR, a United Nations treaty, is one of the two most important international legal frameworks for protecting basic human rights (the other being the International Covenant on Civil and Political Rights [ICCPR]). The Covenant contains significant international legal provisions establishing economic, social and cultural rights, including rights relating to working in just and favorable conditions, to social protection, to an adequate standard of living, to the highest attainable standards of physical and mental health, to education, and to enjoyment of the benefits of cultural freedom and scientific progress. It also provides for the right of self-determination; equal rights for men and women; the right to work; the right to form and join trade unions; the right to social security and social insurance; the right to protection and assistance to the family; the right to an adequate standard of living; the right to the highest attainable standard of physical and mental health; the right to education; the right to take part in cultural life; and the right to enjoy the benefits of scientific progress and its applications. Compliance is monitored by the Committee on Economic, Social and Cultural Rights, which submits annual reports on its activities to the UN's Economic and Social Council.

¹² Founded in 1919 as part of the League of Nations, the ILO is now a United Nations agency. It is the tripartite global body responsible for drawing up and overseeing international labor standards. Working with its Member States, the ILO seeks to ensure that labor standards are respected in practice as well as principle.

¹³ "Global Labor Strategies, Behind the Great Wall of China: U.S. Corporations Opposing New Rights for Chinese Workers," October 2006, http://laborstrategies.blogspot.com/global_labor_strategies/files/behind_the_great_wall_of_china.pdf. "Undue Influence: Corporations Gain Ground in Battle over China's New Labor Law," March 2007, http://laborstrategies.blogspot.com/global_labor_strategies/files/undue_influence_global_labor_strategies.pdf.

¹⁴ Joseph Kahn and David Barboza, "As Unrest Rises, China Broadens Workers' Rights," *New York Times*, June 30, 2007.

¹⁵ Josephine Ma, "New law to protect mainland workers; Labour bill ensures rights of employees," *South China Morning Post*, June 30, 2007.

INTRODUCTION

Rudimentary organizations of working people in China dated back to guilds of skilled artisans established in the mid-19th century in major urban centers such as Hong Kong, Guangzhou [Canton], and Shanghai.¹ These cities were the main locations of European, Japanese, and American colonies and trade concessions (in effect, mini-colonies within cities). These protected precincts had been forced upon China by Japan and the Western Powers in the wake of China's defeat in the Opium Wars. A modern industrial sector grew up in these imperialist enclaves, in which the foreign powers established their own laws, police, and military. These agents of foreign imperialism often acted as agents of foreign capital; thus Chinese workers were treated as second-class citizens in their own nation. The most exploitative enterprises were often foreign-owned, and as a consequence, the struggle for labor rights was identified with the cause of Chinese nationalism.

Against this background, both the Communist Party of China (CPC), on the left, and the nationalist Guomindang, on the right, often grounded their appeals to workers in anti-imperialist, nationalist terms. Occasionally, these two bitterly opposed groups would even work together in Shanghai and other cities when it suited their short-term goals. Ultimately, however, these “alliances of convenience” broke down in bitter fighting.

The fights between the communist and the nationalist unions were among the first battles in a civil war that lasted more than 20 years. The confrontations between competing urban labor groups were essentially marginal events in that larger political struggle, which was interrupted only by the anti-Japanese alliance during World War II. In this early period, there were important democratic reformers in China who tried to compete with the communists and nationalists. The New Culture Movement and the May Fourth student protests championed robust conceptions of democratic government and individual rights.² Organizations such as the China Democratic Socialist Party and the China Democratic League attempted to establish a “third force” that would moderate the life and death struggle between the communists and

nationalists. To the extent that they remained politically active, however, these democratic leaders and organizations were increasingly caught in the unpalatable political dilemma of having to choose between the lesser of two authoritarian evils.

Insofar as unions were concerned, urban industrial workers remained a very small fraction of the Chinese population. Most workers in China were peasant farmers. Whichever party captured their allegiance would prevail. Ultimately, it was the communist party, led by Mao Zedong, which won that battle. The “red armies” that defeated the Guomindang and brought the communists to power came from rural organizations and their ranks were filled by peasants. Urban workers played no meaningful role in the victory.

The Deng Xiaoping Economic Blueprint: Forced Low Labor Costs and Political Repression

Chinese Communist Party leader Deng Xiaoping famously said, in the context of his program to push China towards a free-enterprise economy, “It is glorious to be rich.” But Deng’s economic “advances” came at great cost to workers. His economic blueprint was drawn from two sources: the market-based reforms of Janos Kadar (Hungary’s communist leader from 1956 to 1988) and the experiences of Asia’s four “little dragons” (Hong Kong, South Korea, Singapore, and Taiwan).¹ After the repression of the democratic Hungarian uprising in 1956, Kadar pioneered the policy of expanding economic initiative

and market freedom — as long as the population accepted the unchallenged political power of the Communist Party. Similarly, Deng perceived that the four countries called the “little dragons” had achieved strong economic growth by combining authoritarian political systems with laissez-faire market economies focused on export-oriented industrialization.

The key to the Deng model is China’s comparative competitive advantage in the global economy, an advantage gained by keeping labor costs artificially low through political repression and authoritarian rule. Under Deng’s leadership, in a sharp re-

versal of Maoist state policy, the Chinese government invited foreign investment from Asia, North America, and Europe to exploit its cheap labor through both direct investment and joint ventures with Chinese enterprises. After 1980, Special Economic Zones and development zones for foreign investment sprang up along China’s eastern coast, with heavy concentrations in the Yangtze and Pearl River deltas.

¹ Ezra Vogel, *Four Little Dragons: The Spread of Industrialization in East Asia*. (Cambridge, MA: Harvard University Press, 1991.) There are also sometimes referred to as the four Asian tigers.

Communist Rule: *Danwei* and the “Iron Rice Bowl”

In the first five years after assuming power in 1949, the CPC imposed a command economy on China similar in design to Joseph Stalin’s Soviet Union model, with a central state planning apparatus in firm control. Production units in the command economy, as well as commercial enterprises, administrative offices, and collective farms, were all referred to generically as *danwei* or work units. The industrial enterprises were modeled after the large-scale state enterprises of the Soviet Union.³ The *danwei* were “total institutions”: In addition to organizing economic production, they provided virtually all consumer goods for their workers. They secured the welfare of the urban workforce from “cradle to grave,” supplying food, clothing, housing, education, transportation, and recreation, and making available a generous social security system of health care, child care, disability pay, and retirement pensions.

The *danwei* was thus the primary vehicle for the delivery of what became known as the “iron rice bowl” (*tie fan wan*), the social contract that guaranteed job security, a steady income, and a minimum standard of living to an important, largely skilled segment of Chi-

nese workers. But the iron rice bowl was never universal. The government guaranteed it to urban workers in the state-owned enterprises, the civil service, and the military, but rural Chinese peasants and workers in the private sector and cooperative sector never experienced the same level of security and comparative material comfort.⁴ This class difference between the “haves” (mostly urban) and “have nots” (mostly rural and migrant) has been a source of continual conflict under Communist rule.

The *danwei* was a political and social, as well as an economic, institution: These facets were closely intertwined in a paternalistic system of patron-client relations.⁵ The fullest meaning of the term paternalism applies here, not simply the provision of all basic material needs. The *danwei* were authoritarian instruments of control and surveillance, the unit of mobilization for the Communist Party of China’s ideological and political campaigns of relentless “criticism and self-criticism.” The authorities permitted almost no communication among workers in different *danwei*. This policy segmented and atomized Chinese life and prevented the emergence of any kind of civil society. The *danwei* intruded upon the most intimate aspects of workers’ lives: an individual needed the authori-

zation and support of the *danwei* to change jobs or residences, to acquire higher education, even to get married. But the *danwei* were much more than tools of state repression and intrusion: they provided positive incentives for compliance to orders and political loyalty, from the provision of the iron rice bowl to privileges that local CPC authorities could provide to political *protégés*, such as favored work assignments, special access to consumer goods, and opportunities for further education and career advancement. This perpetuated and extended what the Chinese call *guanxi*, a network of personal relations and personal dependence characteristic of a traditional social order.

The contradictory nature of the *danwei* is perhaps best understood by examining the relationship of this system to the Chinese trade unions that existed before Communist rule. The iron rice bowl and wage system were largely the work of Li Lisan, the first Minister of Labor in the People's Republic and acting head of the Communist-controlled All China Federation of Trade Unions (ACFTU), which is still the only legal trade union in China. The post-1949 ACFTU was transformed into a social welfare agency which, insofar as it had any workplace presence, functioned as an instrument for ensuring labor discipline. Any hint of deviation from that role was swiftly punished. For example, at the end of 1951, Li lost his job after he was accused of, among other offenses, the political crime of supporting limited autonomy (independence from the party) for the ACFTU.

The injustice of the *danwei* system and the party's repressive policies angered many workers. In the end, however, it was those excluded from a system which, despite its oppressive nature, conveyed many material privileges, who felt the most resentment. Accordingly, in 1956 and 1957, when Mao issued his call for the Hundred Flowers campaign⁶ of free expression and open criticism of the CPC, workers excluded from the *danwei* system—temporary, contract and migrant workers, workers in the private and cooperative sectors, displaced workers, and apprentices—responded with a wave of some 10,000 strikes and organized autonomous proto-unions.⁷ When Li's successor at the ACFTU, Lai Ruoyu, pointed out the obvious—that the class divisions created under the Communist system had caused the labor unrest—he, too, was charged with political

crimes and dismissed. When workers criticized the failures of the CPC, they were not "blooming flowers," according to the regime, but "poisonous weeds" that needed to be rooted out.

A Permanent Underclass

Throughout Maoist rule, the great preponderance of China's working people were trapped in rural poverty. For these have-nots of the "other China," the iron rice bowl of the urban state-owned *danwei* was an unrealizable aspiration. In post-1949 China, every person was given a *hukou*, or residency permit, which classified him or her as either an urban or rural resident, and which gave him or her the right to live, obtain employment, and procure food, health care, and education in a single locale. An individual's *hukou* status was assigned, inherited from one's father, and enforced by the omnipresent police, the Public Security Bureau. In this system, only those with a *hukou* for an urban center had any hope of finding a desirable position in a state-owned enterprise *danwei*; the migrants who came to a city without this status constituted an illegal "floating population," devoid of rights and vulnerable to the most brutal exploitation.⁸

In times of great shortage, such as during Mao's disastrous Great Leap Forward of 1958-60, the very survival of workers without access to food rations and of poor peasants in marginal rural areas was jeopardized: Scholars estimate that somewhere between 16 and 29 million of China's poorest people died as a result of the extreme deprivations of Mao Zedong's experiment.⁹

In the *hukou* system, the regime created a permanent underclass composed of Chinese peasants and migrant workers that was denied citizenship status and rights in the urban centers. The several Chinese terms translated into English as "citizen"—*shimin* (city people), *guomin* (nation-state people), *gongmin* (public people)—are revealing. Urban residents today often employ the concept of *shimin* to evoke their right to self-rule which excludes migrant and rural Chinese.¹⁰ "In the city," one migrant worker said, "some people basically don't consider us to be people. They treat us as a thing. ... We all [make this] appeal—the whole society should not discriminate against peasant workers."¹¹

Chinese Workers Under the Post-Maoist ‘Reforms’

The political violence and chaos of the Cultural Revolution (1966-76), which dominated the last decade of Mao’s life, were especially traumatic for the Chinese people.¹² Millions of CPC elders and leaders, intellectuals, teachers, artists, and religious figures were purged and persecuted. Many of them were murdered: The human toll of the Cultural Revolution has been estimated at close to half a million. Chinese education and the economy were brought to a standstill, an entire generation of youth was banished to the countryside, and belligerent Red Guards brought the nation to the brink of anarchic civil war.

With Mao’s death, Deng Xiaoping was able to use the widespread antipathy toward the Cultural Revolution to consolidate political power easily and purge Mao’s close allies. He then launched a major program of market-based reforms, accelerated dramatically after 1992, which transformed China’s economy. These reforms have fueled a rapid rate of economic growth, above eight percent annually for the last quarter century, but huge numbers of Chinese workers and the Chinese rural poor have been left out of this progress. China’s Gross Domestic Product has increased more than tenfold since 1978, yet on a per capita income basis, China remains one of the poorer nations in the world.

The Deng reforms exploited the *bukou* system. Chinese labor in foreign enterprises has had an overwhelmingly migrant character. This “floating” population now counts at least 120 million Chinese workers, a substantially larger number than all other urban workers combined.¹³ As internal migrants, they are denied access to the state-subsidized public services (including healthcare and children’s education) that are available to regular urban residents. Women are a little more than one-third of all migrant workers in China, but in the special economic zones in southeastern China, young women account for between 60 and 70 percent of the migrant workers.¹⁴

Working conditions for migrant Chinese laborers often have been brutally exploitative.¹⁵ Throughout China, workers’ wages are now kept 47 to 85 percent lower than they would otherwise be under prevailing market conditions, and the greatest portion of this differential comes from migrant workers.¹⁶ The workday of migrant laborers is often 12 hours long, and in many

cases even longer. In addition, the work week usually extends through the weekend, with only one day off per month being the norm. The factories themselves are often run despotically, with fines and beatings for violations of work rules. Migrant workers often live in squalid dormitories and eat barely edible food provided by the enterprise, in a manner akin to 19th-century “company towns” on the American frontier. As a consequence of the drive to produce as cheaply as possible, in many cases there is little concern for health and safety: Occupational accidents and diseases among Chinese workers, especially migrant workers, have grown at a phenomenal rate for more than a decade.¹⁷

The Deng reforms have left China with a combination of the worst of both capitalism and communism. Its unregulated, *laissez-faire* economy rivals the rapacious social Darwinism of 19th-century Europe and North America for the brutal exploitation of working people. At the same time, this exploitation is enforced by one-party CPC authoritarian rule which allows no dissent and prohibits Chinese working people from organizing to protect their lives and interests.

Corruption and Inequality

As China moved from a command to a “market-socialist” economy, the Communist elite used its monopoly of political power to accumulate capital and recreate itself as an economic class of the wealthy.¹⁸ The 2000 proclamation of then-President Jiang Zemin welcoming capitalists into the ranks of the communist party only gave official sanction to the widespread reality of high-ranking Communists enriching themselves on a massive scale. Official corruption was a major issue in the 1989 Tiananmen protests, and, as market-based reforms gained momentum after 1992, corruption also soared. The wholesale transformation of public wealth into private fortunes, which marked the permeation of the market economy, brought with it widespread and pervasive corruption in the CPC and state apparatuses. Corruption is now institutionalized in the Chinese market economy on an enormous scale.¹⁹

The transformation of China into a market economy has been accompanied by an extraordinary growth in income inequality. China’s current income inequality rating — as measured by the United Nations’

Foreign Investment: Undermining Labor and Living Standards for China's Working Class

The emergence of the foreign direct investment sector in the 1980s and 1990s and China's integration into the global economy have transformed the nation's entire economy. While the drive to keep wages down in China is fueling an international "race to the bottom" in terms of international labor standards, the foreign direct investment sector has played that same role inside China. It has placed competitive pressure on Chinese state-owned business enterprises to allow for more managerial autonomy and "flexibility" in labor policies. It has also given rise to an ideo-

logical transformation that has reduced dramatically the importance of public ownership in the Chinese economy.

These developments led to massive privatization of publicly-owned commercial enterprises after 1992. Most importantly, foreign direct investment was the catalyst for the destruction of the social contract between the Chinese state and Chinese workers in the state-owned enterprises (SOEs). The relatively privileged position of the urban Chinese working class in the SOEs was drastically undermined as these enterprises were sold off, shut down, or reduced to such

a competitive disadvantage that they could no longer maintain the longstanding, comprehensive system of benefits they once offered. Since the start of the post-Mao market reforms, more than 40 million state-owned enterprise workers have lost their jobs — 30 million of them during the 1998-2006 SOE "restructuring" drive alone. By and large, these workers have ended up forming a permanently unemployed or semi-employed underclass.

¹ Mary Elizabeth Gallagher, *Contagious Capitalism: Globalization and the Politics of Labor in China* (Princeton: Princeton University Press, 2005).

Human Development Report's GINI index — now surpasses that of the United States despite the fact that inequality in the United States has itself grown in the last twenty-five years.²⁰ China's income inequality is 80 percent greater than Japan's and Sweden's, and 50 percent greater than India's and South Korea's.

The vast inequalities in contemporary China are not simply between rich and poor and between the owners of wealth and working people. There are enormous, growing gaps between the better-off urban areas and the rural areas. After an initial reform period that dramatically improved agricultural production and rural income from 1978 to 1984, the rural areas have fallen further and further behind the rapidly growing urban economies. A dramatic decline in the prices of agricultural produce in 1995 accelerated this process.²¹ Since the vast majority of all Chinese people still live in rural areas, rural poverty has a considerable impact on national inequality. Economists estimate that 150 to 200 million of the rural poor are surplus laborers, unable to find sufficient work to support themselves in their rural areas, and they provide a constant supply of "fresh troops" for the "reserve army" of migrant

labor.²² Regional disparities are also pronounced and growing as the southeastern and central-eastern coastal provinces, which have the largest urban centers and the highest concentrations of foreign direct investment, experience a much more significant rate of economic growth than the landlocked, primarily rural, western provinces and the northern "rust belt" provinces with their many technologically out-of-date State-owned Enterprises.

The Toll on the Environment

Uncontrolled and unregulated economic growth — unchecked by democratic process or oversight — has taken a heavy toll on the Chinese environment.²³ Industrial pollution of air, water, and land grows unabated: on the World Bank's global list of the twenty most polluted cities on Earth, sixteen are in China. Smog in large cities such as Beijing and Shanghai is often so completely suffocating that warnings are issued for infants, the elderly, and the ill to remain indoors. Much of that air pollution and considerable amounts of acid rain come from China's heavy reliance on power plants using highly polluting sulfur coal. Although China is officially the

world's second greatest emitter of carbon dioxide after the U.S., the International Energy Agency estimates that the country could become the "emissions leader" by the end of 2007. The Netherlands Environment Assessment Agency believes already has passed the U.S.²⁴ Three-quarters of China's rivers are so polluted that they cannot be used for drinking water or for fishing — nearly 500 million Chinese do not have access to healthy drinking water.²⁵ Desertification is encroaching on northern China. Rural peasants have lost productive land, and industrial workers suffer from occupational diseases. Pollution-caused illnesses, especially cancers, are a public health crisis in China and the World Bank estimates that 750,000 people in China die annually as a result of exposure to pollutants. Chinese experts say these estimates, based on Western models, underestimate the toll.²⁶

Child Labor

One telling and heart-rending manifestation of China's new economy is the widespread use of child

labor, in conditions that have been described in some reports as slave-like.²⁷ Chinese law forbids child labor and forced labor, but local governments charged with enforcing the law have turned a blind eye to these practices. Chinese newspapers are increasingly filled with stories of deaths and injuries of child laborers as well as accounts of low wages and stolen pay. In a cruel perversion of their social roles, a number of Chinese schools have exploited a loophole in the law regarding work-study programs to enrich themselves by sending poor students to labor in sweatshop factories. According to Hu Jindou, professor of economics at Beijing University, "In order to achieve modernization, people will go to any ends to earn money, to advance their interests, leaving behind morality, humanity, and even a little bit of compassion, let alone the law or regulations, which are poorly implemented. "Everything is about the economy now, just like everything was about politics in the Mao era, and forced labor or child labor is far from an isolated phenomenon. It is rooted deeply in today's reality."²⁸

¹ For the early history of Chinese labor, see Elizabeth Perry, *Shanghai On Strike: The Politics of Chinese Labor*. (Stanford: Stanford University Press, 1993) and Jean Chesneaux, *Chinese Labor Movement, 1919-1927*. (Stanford: Stanford University Press, 1968). Early Chinese industrial development and the early Chinese labor movement were concentrated in the southeastern coastal area of China, from Shanghai south. In northern centers such as Tianjin, Chinese industrial development — and the Chinese labor movement — did not really take off until the 1930s. See Gail Hershatter, *The Workers of Tianjin, 1900-1949*. (Stanford: Stanford University Press, 1986.)

² See William J. Duiker, *Ts'ai Yuan-p'ei: Educator of Modern China*. (University Park: Pennsylvania State University Press, 1977) and Jerome Greider, *Hu Shih and the Chinese Renaissance: Liberalism in the Chinese Revolution, 1917-1937*. (Cambridge, MA: Harvard University Press, 1970.)

³ *Danwei: The Changing Chinese Workplace in Historical and Comparative Perspective*. Xiaobo Lu and Elizabeth Perry, editors. (New York: M. E. Sharpe, 1997) and Mark Frazier, *The Making of the Chinese Industrial Workplace: State, Revolution and Labor Management*. (Cambridge: Cambridge University Press, 2002.)

⁴ It is important to note that the Chinese communist state was almost entirely dependent for its revenue from taxation from the danwei in the state sector. After 1949, the cities were the "cash cows" of the Chinese economy. See Barry Naughton, "Cities in the Chinese Economic System" in *Urban Spaces in Contemporary China: The Potential for Autonomy and Community in Post-Mao China*. Deborah Davis, Richard Kraus, Barry Naughton and Elizabeth J. Perry, editors. (Cambridge: Cambridge University Press, 1995)

⁵ Andrew G. Walder, *Communist Neo-Traditionalism: Work and*

Authority in Chinese Industry. (Berkeley: University of California Press, 1986.)

⁶ Known famously for Mao's slogan: "Let a hundred flowers bloom, let a hundred schools contend," this campaign, aimed primarily at intellectuals, paralleled a period of political liberalization in the Soviet Union, partly in reaction to the Hungarian Revolution.

⁷ "From Native Place to Workplace: Labor Origins and Outcomes of the Danwei System" in *Danwei: The Changing Chinese Workplace in Historical and Comparative Perspective*. Op. Cit.

⁸ Dorothy J. Solinger, *Contesting Citizenship in Urban China: Peasants, Migrants, the State and the Logic of the Market*. (Berkeley: University of California Press, 1999.) For an informative study of this economic and political division in post-colonial African states, including South African apartheid, see Mahmood Mamdani, *Citizen and Subject: Contemporary Africa and the Legacy of Late Colonialism*. (Princeton: Princeton University Press, 1996.)

⁹ Roderick MacFarquhar, *The Origins of the Cultural Revolution: Volume II: The Great Leap Forward 1958-1960*. (New York: Columbia University Press, 1983.) The Great Leap Forward was Mao's attempt to bring rapid modernization to China, and to catch up with more advanced nations. Crops were ploughed under and factories constructed on fertile fields. Millions starved.

¹⁰ Merle Goldman and Elizabeth J. Perry, "Political Citizenship in Modern China" in *Changing Meanings of Citizenship in Modern China*. Merle Goldman and Elizabeth J. Perry, editors. (Cambridge, MA: Harvard University Press, 2002.)

¹¹ As quoted in Dorothy J. Solinger, *Contesting Citizenship in Urban China*. Op. Cit., p. 283.

¹² Roderick MacFarquhar and Michael Schoenhals, *Mao's Last Revolution*. (Cambridge, MA; Harvard University Press, 2006.) and Jung Chang and Jon Halliday, *Mao: The Unknown Story*. (New York: Knopf, 2006.)

¹³ Amnesty International, *Internal Migrants: Discrimination and abuse - The human cost of an economic 'miracle,'* March 2007, <http://web.amnesty.org/library/index/engasa170082007>. The PRC State Council estimates the number of migrant workers at 200 million, and that figure is commonly cited, but some 80 million of this number are those who find work in local factories in township and village enterprises. The real migrant worker population is at least 120 million.

¹⁴ Tamara Jacka, "'My Life as a Migrant Worker': Women in Rural-Urban Migration in Contemporary China." In *Intersections: Gender, History and Culture in the Asian Context*, No.4, September 2000, http://www.sshe.murdoch.edu.au/intersections/issue4/tamara_intro.html; Au Loong-yu, Nan Shan, and Zhang Ping, *Women Migrant Workers under the Chinese Social Apartheid*. Bangkok: Committee for Asian Women, 2007; Ching Kwan Lee, *Gender and the South China Miracle: Two Worlds of Factory Women*. (Berkeley: University of California Press, 1993.); and Pun Ngai, *Made in China: Women Factory Workers in a Global Workplace*. (Durham, NC: Duke University Press, 2005.)

¹⁵ Anita Chan, *China's Workers Under Assault: The Exploitation of Labor in a Globalizing Economy*. (New York: M. E. Sharpe, 2001.) See also the *New York Times* 2003 series by Joseph Kahn on "The World's Sweatshop," especially "China's Workers Risk Limbs in Export Drive," April 7, 2003, "Chinese Economy's Underside: Abuse of Migrants," August 26, 2003 and "Chinese Girls' Toil Brings Pain, Not Riches," October 2, 2003. As a general rule, European and North American foreign investors provide better conditions for their workers than Asian foreign investors. However, many European and North American companies do not run their own production inside China, but outsource the work to Asian investors and to Chinese operations.

¹⁶ The AFL-CIO's March 2006 Section 301 Petition to the United States Trade Representative, http://www.aflcio.org/issues/job-seconomy/globaleconomy/upload/china_petition.pdf. A summary of the report was published as "The Conditions of the Working Class in China" in *Dissent*, Volume 51, No. 3, Summer 2004.

¹⁷ "The International Labor Organization estimates that China's 2001 workplace fatality rate was 11.1 per 100,000 workers, compared with a rate of 4.4 per 100,000 in the United States. Industrial accidents rose by 27 percent between 2000 and 2001, while occupational diseases increased by 13 percent in the same period, according to government statistics. The government workplace health and safety agency reported that 140,000 workers died on the job in 2002, a rate of 380 deaths a day." Garrett D. Brown and Dara O'Rourke, "The Race to China and Implications

for Global Labor Standards" in the special issue on Occupational Health and Safety in China of the *International Journal of Occupational and Environmental Health*, Volume 9, Number 4, October/December 2003.

¹⁸ David L. Wank, *Commodifying Communism: Business, Trust and Politics in a Chinese City*. (Cambridge: Cambridge University Press, 1999.) and Bruce Dickson, *Red Capitalists in China: The Party, Private Entrepreneurs, and Prospects for Political Change*. (Cambridge: Cambridge University Press, 2003.)

¹⁹ "In the eighties and early nineties, malversation was mainly an individual affair... But by 1995 corruption had developed from an individual to an organizational stage... By about 1998 corruption had developed further to an institutional or systemic stage. Three features define this stage. First, corruption has permeated the bulk of the Party and State apparatus... Secondly, corruption has become an established arrangement in institutions, as official posts are traded as counters in the redistribution of political, economic and cultural power... Thirdly, official campaigns against corruption are often no longer real threats against it, but rather instruments of political leverage and blackmail for personal gain." He Qinglian, "A Listing Social Structure" in *One China, Many Paths*, Chaohua Wang, editor. (London: Verso Books, 2003.)

²⁰ United Nations 2006 Human Development Report, p. 335, <http://hdr.undp.org/hdr2006/pdfs/report/HDR06-complete.pdf>.

²¹ Dwayne Benjamin, Loren Brandt and John Giles, "The Evolution of Income Inequality in Rural China" William Davidson Institute Working Paper No. 654, University of Michigan, <http://ideas.repec.org/p/tor/tecipa/benjamin-04-01.html>.

²² Shujie Yao, *Economic Growth, Income Distribution and Poverty Reduction in Contemporary China*, Routledge Studies in the Chinese Economy. (New York: Routledge, 2005.)

²³ Elizabeth Economy, *The River Runs Black: The Environmental Challenge to China's Future*. (New York: Cornell University Press [Council on Foreign Relations Book], 2004.) and Jim Yardley, "Rivers Run Black, and Chinese Die Of Cancer," *New York Times*, September 12, 2004.

²⁴ Joseph Kahn and Jim Yardley, "As China Roars, Pollution Reaches Deadly Extremes," *New York Times*, August 26, 2007.

²⁵ Ibid.

²⁶ Ibid.

²⁷ Howard French, "Fast-Growing China Says Little of Child Slavery's Role," *New York Times*, June 21, 2007 and "Reports of Forced Labor at Brick Kilns Unsettle China," *New York Times*, June 16, 2007.

²⁸ Howard French, "Fast-Growing China Says Little of Child Slavery's Role." Op. Cit.

The Oilfield Workers of Daqing

An unjust society is going to be an unstable society.

DAQING OILFIELD WORKER

APRIL 1, 2002

BETWEEN MARCH AND JUNE 2002, the Daqing Oilfield workers in China's northeastern Heilongjiang province waged one of that nation's most militant and high-profile labor protests in decades. During the course of the four-month protest, a provisional independent union was formed and crushed by authorities, and across China, other oilfield workers staged solidarity protests that rippled throughout the oil industry. The demonstrations, coming as they did during the politically sensitive annual meeting of the National People's Congress (NPC) and the National People's Political Consultative Conference (NPPCC) in Beijing, drew significant Chinese and international media attention.

The Daqing Oilfield workers' protest was significant, not only due to its numbers, but also because of the iconic significance of Daqing as a landmark of the industrial achievements of Mao's "New China" program.

The Chinese government responded to the oilfield protests with a mix of "carrot-and-stick" actions. These tactics proved extremely effective, and were used again and again in the strikes and protests throughout the country. This is how it worked: On the one hand, there were occasional gestures at negotiation, small relief payments to workers, or the fulfillment of a minor ancillary demand. On the other hand, the police pressured friends and family to pressure protesters, made overt threats, and conducted heavy-handed surveillance. Finally, leaders were arrested and detained, often never to be seen again. And, of course, there was the judicious use of force.

During those months of protest, Han Dongfang followed the protest actions in Daqing and other oil fields across China, speaking with workers, residents, and local officials on his Radio Free Asia broadcast. Since the Chinese government did its best to restrict

the flow of information, Han's interviews, which were aired on his broadcast, provide invaluable eyewitness accounts of what happened. The reports add a depth of insight and feeling that cannot be found in other media.

The Beginning

The Daqing Oilfield is state-owned and is China's largest; it supplies about one-third of the country's crude oil each year. Before announcing the restructuring of the oil industry in 1999, the government had touted Daqing as an outstanding model of communist industrial organization. The Daqing Petroleum Administration Bureau (DPAB), which ran the oilfield, employed about 100,000 people. During the restructuring, approximately 80 percent — 80,000 people — lost their jobs.

As the government pushed through privatization and corporatization of public enterprises, there were winners and losers. Powerful Communist Party members were transformed from poorly paid public servants to affluent and cash-rich corporate executives. But the losers outnumbered the winners. Tens of mil-

lions of workers had to live with the loss of their jobs, with little ability and opportunity to find new employment and means of livelihood. The situation was particularly stark for workers who had spent the best part of their lives working for state-owned enterprises (SOEs) since the 1960s. Under the previous all-encompassing system of enterprise-based welfare system, almost all basic living needs of SOE workers were paid for by their enterprises. These usually included their housing and basic utilities, health care, children's welfare and schooling, and retirement benefits. In particular in a "sole-enterprise town" like Daqing, the enterprise was the "life" of its workers. Hence, when they lost their jobs with the enterprise, they lost practically everything. In Daqing City, nearly half of the population depended upon DPAB for their livelihoods, directly or indirectly. The layoffs were a crushing event for the city.

The revolt began on March 1, when about 3,000 laid-off workers occupied the headquarters of the DPAB in Daqing City. They were protesting management's unilateral breach of the severance agreements they had signed in exchange for leaving their jobs voluntarily. The laid-off workers had each received a lump-sum payment and the promise that they would receive the same benefits as employed workers. When the DPAB broke that promise, the workers organized.

By March 5, the number of protesters had climbed to more than 50,000. Waving banners, singing songs, hoisting placards, and shouting slogans, they filled the city's main square — Tieren or Iron Man Square — in front of the DPAB headquarters. They also blocked streets and lay down on railroad tracks to pressure the DPAB to negotiate.

Iron Man Square is a place full of meaning for Chinese workers of a certain generation. It contains the statue of China's most famous model worker, Wang Jinxi, better known as the "Iron Man." The statue was erected in the square during the Maoist era to glorify Chinese industrial achievement. Wang was heralded as China's best "model worker," as he reportedly worked selflessly night and day in all weathers to help build the Daqing Oilfield, which became the beacon of Mao Zedong's program of industrial construction. Wang Jinxi became a communist icon, symbolizing the contribution of the working class to the "New

China." The irony of 50,000 aggrieved Daqing Oilfield workers demonstrating against their enterprise and the government right under the nose of this symbol of China's industrial and labor success struck a disturbing chord with the regime and the people, more so than other labor protests of the time.

We begin the Daqing story with the evocative narrative of a laid-off teacher. Several hundred teachers, also employed by the DPAB, were among the protesters. At the time of the broadcast (broadcast dates are indicated below in parentheses), she had attended the demonstrations in Tieren Square every day for a month. Her account paints a vivid picture of the workers' anger (including at the official, party-supported union) and the authorities' intimidating response:

LAID-OFF TEACHER: (*April 1*) Right now the workers are furious. Many of them want to drench the leaders' cars in petrol and burn them — if they can find them. Things have got really fierce over the last few days. One official had the wheels of his car removed and a key was used to scratch the word "bastard" on the paint work. Offices have been attacked and windows broken — it's very serious at the moment. On March 18, the offices of the [government-sanctioned] trade union, finance department, and general administration were attacked.

HAN DONGFANG: Has everyone calmed down over the last few days?

TEACHER: No, not at all. With some people so rich and others so poor, are people going to just sit back and do nothing? An unjust society is going to be an unstable society.

This teacher, who, as noted above, had gone to the demonstration at Iron Man Square every day, reported that a squad of about 800 People's Armed Police (PAP) had been deployed round-the-clock to protect the homes of senior cadres:

LAID-OFF TEACHER: (*April 13*) There are 22 trucks of People's Armed Police stationed outside the DPAB. One of them asked me what I was doing there, and I said, "Have you guys come here to oppress us?" He said, "We've come here to protect you. The DPAB is spending a lot of money to keep us here—five bucks [RMB 41] for each day on duty." They're billeted over at the martial arts school. Including the plain-clothes police, there are about 2,000 altogether.

Yesterday my work unit telephoned me and said, "Don't go to the square. If you go again, then the nature of this whole thing could become very different. It will end up like Beijing's Tiananmen Square in 1989. Machine guns will be used." I told them, "I'm not afraid and I'll go everyday. I've got to die someday anyway.

The loss of some people is heavier than Mount Tai, and of others, lighter than a feather. My death will be heavier than Mount Tai and have significant impact.”

Some young bastards in my work unit [telephoned me]. There’re five of them assigned to keep an eye on me, thinking I am some kind of key target. It’s like they’re making me out to be somebody from the Falungong! They wanted to make my daughter write a pledge, but [she] told them, “There’s no way I can make a pledge like that. If my mom doesn’t go [to demonstrate], how is she going to live? My mom worked for them for 26 years, and then they cheated her. She has to go!”

At nine o’clock this morning, the leader telephoned me at home and said my bonus would be cut if I didn’t stay at home. He said docking my bonus was one thing, but suppose I was picked up and detained. Either way I suffer. I told him I wanted to be detained. At least they’d have to cook for me at the detention center, and I wouldn’t have to wash the dishes. I’m willing to go to prison, and I’m not the only one either. There’s one woman — she’s about 50 years old. She said a few things out of place and was detained. [Here’s what] she said [about the DPAB general manager]:

*Zeng Yukang
Can’t sleep at night.
He longs for the wind
And the dust storm it brings
To lock the workers in
From avenging his sins.*

I don’t know where she is now. I heard she’s been arrested for agitating and making reactionary speeches.

The teacher continued to tell Han what she had seen in the streets:

Another young fellow whom I saw in the square today was in [the Dong Feng] detention center for 20 days. He paid them RMB 200 [\$24] and just got out. I think he was detained around March 4 for hanging a banner. He said they hit him with a floor mop until it broke into three or four pieces. He says he is prepared to die in the square.

There was another guy who had a rhyme. He hasn’t been seen since either. I’ve got loads of this stuff. I copy down the good [rhymes] as “souvenirs” every time I go to the square.

[One ... day ... at the square], there were about 30,000 people. A private car mowed down maybe seven or eight people. [The driver] was looking for trouble. People were saying the government had put him up to it. This driver, Zhu Dayong, was driving a black Volkswagen Santana. The cops had to load him into a police van for his own protection, or he would have been killed by the crowd. In the end, they flipped his car on its back. He’s locked up in the Dong Feng detention center. [The people he hit] are still in Long Nan Hospital and Hospital Number Four. Their injuries are serious.

[The workers are really angry at officials] and are saying stuff like “f-- that bastard so- and-so. Does the oil belong to him? When all this oil was discovered, it belonged to the country. This “so and so” gets hundreds of thousands of bucks every year. Makes me want to go and blow up the pipelines. See if they can use the oil then.” The workers are furious at the [salaries and perks] these officials are taking home. [These workers] are not educated people and are capable of anything. If you’ve been pushed to the edge, then there’s nothing left to be afraid of.

The Daqing employers were feeling a great deal of financial pressure, as the terms of the layoff agreement continued to shift. For example, the agreement stipulated that every individual laid off worker would pay RMB 2,600 (\$314) a year as their social labor insurance contribution to the insurance company. But the fee went up, first to RMB 3,600 (\$435) and then to RMB 4,000 (\$483). As the worker below told Han, the RMB 2,600 (\$314) itself was a major financial burden:

The minimum social insurance premium we pay is RMB 2,600 [\$314] per year. It leaves us with hardly any money to eat. How can we live like that? In Daqing, a pound of fresh beans costs three bucks [RMB 25], cucumbers one and a half [RMB 12.5], and the same for tomatoes. We are barely eating enough while the officials and managers are very comfortably off. For the past year, they’ve been carrying out this “reduce staff and increase efficiency” policy while [giving themselves] hundreds of thousands of RMB in bonuses. It’s corruption that allows them to live in 200-plus square meter [homes] though they don’t do anything for ordinary people. Take the chief of police and top cadres like him — they live in special houses. Daqing now has a squad of 800 PAP to guard the leaders’ housing compounds around the clock. These people are scared to sleep at night.

A Conflicted Company Town

Daqing is a company town, and as in most cities dominated by a single enterprise, its dependence on its oilfields extended far beyond the number of people actually employed by the DPAB. Nearly half of the population of Daqing City depended upon the DPAB for their livelihood, and almost every family in Daqing City had some relatives either employed or laid off by the DPAB. When the protests broke out, those relatively few workers still employed in Daqing Oilfield said they were sympathetic towards the struggle waged by the laid-off workers. Even some official union leaders, while not lifting a hand to help their members, expressed surprising sympathy:

OFFICIAL OF THE DAQING CITY FEDERATION OF TRADE UNIONS: (*March 10*) The workers did have reasons to demonstrate. In the past, they worked so hard, they sacrificed so much. Now this is what they've got. How can they not feel bitter? There are three laid-off workers just among my relatives. These people in my family are very modest. They are all women. They didn't go [to the demonstrations]. My wife is looking after the kid at home. Her team leader said to her, "Don't go. Just wait for the news at home. We'll go."

Similarly, a Daqing government official also expressed sympathy with the protesters. His wife was, in fact, one of the laid-off workers. This mix between people wearing their official hats — but at the same time with personal ties and sentiments close to the aggrieved protesters hats — underlines the common and complex interplay of emotions, loyalties and politics in such sole-enterprise towns and cities.

OFFICIAL: DPAB signed an agreement with the retrenched workers, but they [management] broke it. My wife is one of the retrenched workers.

HAN DONGFANG: How is her situation?

OFFICIAL: She is unhappy! At the beginning it was written in the agreement that the retrenched workers would be treated the same way as the employed workers. Take their heating bills for instance, after their retrenchment, it was to be paid for by the DPAB. However, beginning this year, they [DPAB management] have stopped their payment. You will have to pay your own! ...

... Another reason is that the retrenchment agreement stipulates that every individual retrenched worker would pay RMB 2,600 [\$314] a year as their social labor insurance contribution to the insurance company. But the fee went up to RMB 3,600 [\$435] last year, and up again to over RMB 4,000 [\$483] this year.

Although some individuals with official positions who called Han's program expressed (or felt obliged to express) opposition to the protesters, many of their colleagues openly recognized that their interests coincided with those of the laid-off workers.

EYEWITNESS TO THE FIRST PROTESTS: (*March 5*) Look at my family. We had a double income. One of us accepted the severance package, and now [the money] is all going back to [the company]. ... Now only my father is earning money.

DAQING MUNICIPAL EMPLOYEE, MARRIED TO A LAID-OFF WORKER: (*March 5*) There are over 80,000 [laid-off] workers altogether! Tens of thousands of families are involved — at least 50 percent [of the families in Daqing]. My wife is one of the laid-off workers. She's

unhappy, of course! Take the heating subsidy. After the layoffs, the DPAB was still supposed to pay it. But beginning this year, they stopped the payment. [The annual cost is] about RMB 3,000 [\$362].

An Offer You Can't Refuse

The severance agreements — even before the DPAB reneged on the terms — were anything but generous. Workers signed the agreements because they believed they had no other choice.

EYEWITNESS TO THE FIRST PROTESTS: (*March 5*)

I saw banners saying, "We don't want to be tricked again!" ... "Give my job back!" The workers were shouting slogans like "Stand Firm Until Victory!"

They've been asked to pay [social insurance] charges that were increased to RMB 10,000 [\$1,208] per year. Think of that! Their [one-time] layoff payment only gave them a little more than RMB 100,000 [\$12,077]. Some workers got only several tens of thousands. They get laid off, and now they have to pay back practically all their severance money.

OFFICIAL OF THE DAQING CITY FEDERATION OF TRADE UNIONS: (*March 10*)

You had to take the offer in a hurry. They didn't actually explain clearly what advantages and disadvantages there were in the agreement. They just gave you two pieces of paper to take a look at. "If you want to take this, fine. If you don't, you are out. When you're laid off, we'll do nothing about it." The information they gave to the workers was not complete at all. [It was] just like catching birds in the Northeast. They put some seeds on the ground and then raise the net. Once you get in, the net is pulled, and you are trapped inside. Who cares if you can get out or not.

LAID-OFF TEACHER: (*April 13*) They just threatened us saying, "If you don't take the compensated lay off, you'll be laid off anyway. The enterprise will be streamlined, and production efficiency enforced. Production is being gradually scaled down each year." What they meant was that if we didn't accept the deal, we would end up on welfare. A laid-off worker gets only RMB 300 [\$36] a month as a living allowance. And what's more, this allowance lasts for only three months, and then that's it. You're on your own. Show me a worker who doesn't worry about that. They gave us threats — simple as that. What could a husband and wife who were on the wrong side of 40 do?

[Now] the DPAB officials are saying, "Nobody can say we cheated them. The compensation deal was voluntary and based on a contract that workers applied for and signed. Anyone who feels cheated can take us to court."

In response to such official indifference, the workers posted picket lines, occupied the DPAB headquarters building, and lay down on the local railway

The workers did have reasons to demonstrate. In the past, they worked so hard, they sacrificed so much. Now this is what they've got. How can they not feel bitter?

tracks. For several weeks, workers, sometimes in thousands and at times in tens of thousands, turned up to demonstrate first thing in the morning. They stayed until dark every day.

A DPAB official recounted to Han Dongfang how workers occupied the corporation headquarters into the 10th day of the protest.

OFFICIAL OF DAQING PAB:

They are still there. They only leave after we leave for home. Inside and outside of the building, they are everywhere. Even the lift got blocked; we can only go up to the first floor. It just doesn't go any further. The lift is jammed, the corridors are blocked; everything is jammed. ...

... They are everywhere. In the courtyard, outside the courtyard, in the square ...

They don't come when we don't come to the office. They said, "We have plenty of time, it's just like coming to work here." That's what they said. ...

... We haven't opened the canteen for a week already. Either you go to eat somewhere, or just like them, you go hungry all day until you go home. Those among them who have the means go to eat in small restaurants; those who don't have the means just go hungry from morning to night. ...

A Union by and for Workers

Perhaps the most dramatic and significant feature of the Daqing protests was the creation of the Daqing Provisional Union of Retrenched Workers, an embryonic, workplace-based, independent union. Unlike attempts by political activists in China to form independent unions in the early 1990s, the Daqing union had a clear constituency: the Daqing workers. The provisional union, of course, was illegal. As noted in the Preface, independent unions are banned in China. Only the All China Federation of Trade Unions (ACFTU) is permitted, and it is an organization created and run by the government. Accordingly, the leaders of the Daqing union were taking enormous personal risks. Ultimately, they paid with their freedom.

Some laid-off workers reported that preparation for this independent union actually began before the

March protests, and so, when the demonstrations began, the workers had representatives in place, ready to negotiate with company officials. During the first week or so, the provisional union issued bulletins, signed by its leaders, to keep the workers informed of planned actions and the progress of the protests.

This degree of organization and foresight might be attributed to many well-educated and highly-skilled engineers, basic-level cadres, technicians, technical assistants, and teachers (from the various schools run by the enterprise) among the protesters. Most were about 40 or 50 years old. Faced with an unresponsive and hostile All China Federation of Trade Unions, these educated workers soon worked out that the logical way to fight for their cause was to organize their own union body which could negotiate on their behalf. They set up the Daqing Provisional Union of Retrenched Workers. A Daqing worker described several leaders she had seen in action:

They all seemed pretty clued up and well educated. Able to write well and speak articulately, and they understood the law as well.¹

We have very little information about the provisional union, because the government arrested all the key leaders, while frightening the rank and file into silence and acquiescence. Han Dongfang's interviews provide our clearest view. Through those interviews, we see a vigilant government, closely scrutinizing the actions of workers' organizers and dispatching police and paramilitary forces to intimidate the demonstrators and arrest their leaders. Officials from Beijing were reportedly dispatched to Daqing to investigate the situation, but never met with the protesters' representatives. The local government of Daqing did stage negotiations with protesting workers — while at the same time sending police to detain their leaders.

The authorities apparently were determined to meet the challenge posed by the independent union quickly and brutally. They picked up and detained leaders of the provisional union early on. These leaders simply dis-

appeared. Nothing more has been heard from them. These tactics had the desired effect: open organizing in the name of the new union soon ceased. A protesting worker reported more than a dozen arrests of the organizers on March 5. His report paints a picture of a government determined to shut down independent unions:

DAQING WORKER: On 5 March, the government told us to select 10 representatives [to negotiate], but they were detained after they entered the building and didn't come out again. They were taken away and locked up. After they were detained, a former work unit leader was taken back to his house and had to write a pledge not to leave his home. If he did, he would be detained. He even had to mark the pledge with a thumbprint.

HAN DONGFANG: So that's why no representatives have been elected since this incident?

DAQING WORKER: That's right. Who's going to risk it when they have already detained 10 people?

HAN: In the first few days of the demonstrations we heard that some people were putting up bills and posters in the name of the Standing Committee of the "Retrenched Workers Provisional Trade Union."

WORKER: Yes. They were putting them up on the DPAB's walls south west of the main gate. These people have also been detained. They are not around anymore. Anyone who writes or puts up posters and stickers, slogans or hangs banners has been taken away. These provisional trade union people were doing the groundwork by putting up posters and bills [in the trade union's name]. The posters that have gone up since are not signed by the provisional trade union or anyone else. They just have the date at the bottom.

Why didn't the official union act when tens of thousands of their members took industrial actions? First of all, of course, the "union" is not really a union, but an organ of the government. One ACFTU official was remarkably candid in his chat with Han Dongfang. He said that the union did not get clearance from the DPAB party committee to get involved when workers took protest actions. The chairman of the DPAB Trade Union said the union could do nothing but follow orders from the party committee.

CHAIRMAN OF THE DPAB TRADE UNION: We cannot intervene in anything. Those members of the local party committee are holding meetings to examine the case. How can we intervene?

HAN DONGFANG: Yet should not the trade union play a more active role in it?

CHAIRMAN: Play a role? Me? I listen to the party committee. I have to follow the orders given by our party committee.

HAN: What was the order?

CHAIRMAN: The party committee demands a unitary line. We cannot say things without caution. ... We listen to the party committee. You go and ask the committee what the arrangement is. We do whatever the party committee asks us to do. I suggest that you talk to someone from the committee. We have to toe one line. We cannot just say anything we like.²

Interviews by Han during this period illustrate the official unions' loss of credibility, including party and government officials, amid growing ideological confusion. For example, an official of the Daqing municipal government, when interviewed at the start of the mass protest on March 4, 2002, expressed his perception that the independent union formed by the workers belonged to the workers while the official union belonged to the 'capitalists'!

OFFICIAL: They have now set up a Committee of the Provisional Trade Union of Retrenched Workers. They have even staged a march!

HAN DONGFANG: Have all the members of this Committee willingly come out in public?

OFFICIAL: Yes, they have. All in the open. Their names are known, nothing is hidden.

HAN: How does this provisional union committee compare to the official one?

OFFICIAL: One is for workers, another for the capitalists. They are completely different. That's it.

HAN: So this is a union belonging to the workers?

OFFICIAL: Yes, this is a union of the workers.

HAN: What about the other one?

OFFICIAL: That is a union of the capitalists. The one belonging to the workers is called "Committee of the Provisional Trade Union of Retrenched Workers of the DPAB" [emphasis added].³

On March 5, Han Dongfang spoke with an official from the organizing department of the Heilongjiang Federation of Trade Unions (HFTU) — the ACFTU's affiliated organization in the province of Heilongjiang, where Daqing is located. The official explained exactly why the Daqing Provisional Union of Retrenched Workers — and any other union organized directly by workers — is illegal in China. In the process, he also illustrated the authoritarian nature and structure of China's official labor movement.

OFFICIAL FROM THE HFTU ORGANIZING DEPARTMENT: (March 16) Generally speaking, before a trade

union is organized [in a workplace], it has to be approved by the next level up in the [union's] organization. Only after getting this approval can it proceed to recruit members, set up a trade union meeting or representatives' meeting, and elect a trade union standing committee, chairperson, and vice chairperson. The people chosen for these two positions must be approved by the next level up. These organizing procedures are all in strict accordance with the Trade Union Law and the Trade Union Charter.

The organizing department of the All China Federation of Trade Unions in Beijing has issued a document that explains trade union elections at the grassroots level. [Workers organizing on their own accord] is definitely not allowed. It has to be done in strict accordance with the approval procedures. We have insisted on this over the years. Furthermore, under the union system in China, the organizational structure of a union is defined by the [Communist] party.

As I just said, the trade union has a subordinate relationship to the party. A trade union must be set up according to an organizational structure of leadership that runs from top to bottom. You can't just say you have formed a union spontaneously and we should recognize your union. Our main work is, it seems, to defend the present trade union system and organizational structure.

HAN DONGFANG: In China's current market economy, isn't there any chance that the union could separate itself from the leadership of the party and serve the workers as its main task?

HFTU OFFICIAL: That can't be. Not under the present national conditions.

Solidarity at Home and Abroad

The Daqing protests triggered solidarity demonstrations by workers in other Chinese oilfields; these workers then began protesting their own circumstances. The expanding confrontation involved workers in the Shengli Oilfields, the Liaohe Oilfields, the Huabel Oilfields, the Jilin Oilfields, and others. These oilfield workers in different regions had strong "horizontal" networks which undermined the government's efforts to stifle news and keep the workers isolated. The networks dated back to the time when experienced oilfield workers were sent to newly discovered fields to help train the work force. More than six months after the start of the Daqing protests, workers at the Chongqing-based Chuandong Oil Exploration & Drilling Company (COEDC) began their own struggle with Daqing in mind.

RETIRED WORKER AT AN COEDC PROTEST: (*September 14*) Sure, we knew [about the Daqing protests] ages ago. The social impact is that we ordinary folk

and workers — believe the Daqing workers earned back respect and rights for the working class, and we sincerely support their actions and appreciate their attitude. You know, all these years, the workers' situation has really upset us — or disappointed us, I should say. I personally believe that without the Daqing workers, we wouldn't have gotten the idea of protesting or developed the courage [to do it].

International media coverage of the oilfield protests in China raised concerns in several international unions as well as the International Confederation of Free Trade Unions (ICFTU) based in Brussels (now named the International Trade Union Confederation [ITUC]). On March 15, 2002, the ICFTU sent written appeals to both Jiang Zemin, president of the People's Republic of China, and to Wei Jianxing, chair of the All China Federation of Trade Unions, asking them to intervene on behalf of the workers. When, instead, the violence and number of arrests continued to mount, the ICFTU lodged a formal complaint against the Chinese government with the International Labor Organization (ILO) on March 27. On June 20, the ICFTU updated its complaint to the ILO.

EXCERPT FROM THE ICFTU'S MARCH 15, 2002 LETTER TO THE PRESIDENT OF CHINA: Sending armed personnel is not an appropriate method of negotiating the social consequences of economic restructuring. These must be discussed and agreed upon with legitimate, representative, workers' organizations. The establishment by workers of organizations of their own choosing for the protection of their economic and social interests is an internationally recognized human right, guaranteed by Convention no. 87 of the International Labor Organization, of which your government is furthermore a Governing Body Member. This right is also protected under the Trade Union Law of the People's Republic of China, 2001. We thus call upon your Government to respect the decision of the Daqing Oilfields workers to exercise this right and to engage with them to address their legitimate demands.

The Price of Oil

The economic and geopolitical context surrounding the oil field protests in China gives them added significance. China's economy has been growing at an extraordinary rate — more than nine percent a year — for years, and oil is fueling that growth. The annual expansion rate of China's oil consumption is eight times faster than the expansion rate of energy consumption in the rest of the world. In

2004, China accounted for 40 percent of the increased demand for crude oil on the world market. This voraciousness has been driving up the international price of oil. It has also made the Chinese government determined to lower the cost of domestic oil production. The Chinese oilfield workers have paid the price for cheaper domestic oil. Even some observers who accept the logic of international competitiveness and oil-fueled growth believe the price has been too high:

OFFICIAL OF THE DAQING CITY FEDERATION OF TRADE UNIONS: (*March 10*) From the point of view of competition, since joining the WTO [the World Trade Organization], the oil industry does have a problem. The price of labor is too high here. The imported refined oil costs the same as our crude oil. So, in a sense, it's right that they want to downsize to increase efficiency. But the way they're doing it is just too ruthless. It's like they don't care if you live or die.

Past the 90th Day

After three months of police intimidation, arrests, the detention and disappearance of organizers, and no serious negotiations, the protests in Tieren Square began to peter out. The laid-off workers lost heart, and support from the community dwindled. Quite a few employed workers began to accept the official line that the protesters were being unreasonable. They also feared for their own jobs.

LAI-D-OFF WORKER DURING THE DAILY RALLY IN TIENEN SQUARE: (*June 4*) [There are] seven or eight thousand [people here]. Everybody is standing around. They don't let us into the courtyard now. We've just blocked the road in front of the DPAB. The cars can't go through. We blocked it as soon as we got here [at about 7:30]. There are plain-clothes [and] uniformed police. There are no armed police. [Last Friday] we had a brush with the police, and they made us run. They arrested one person, but they released him by one o'clock.

Sometimes [laid-off workers] distribute leaflets. When there're many people, they're not afraid to; but when there aren't many people, they arrest you in no time. It's all individual effort, not organized. Nobody would dare to organize it. If you organize anything, they arrest you right away. [The Daqing Provisional Union of Retrenched Workers has] disappeared. It's all been disbanded. None of those who were organizing in the beginning is around.

In the beginning, people from the company talked to us. Now they don't pay any attention to us. Today's the ninety-third day. [The workers] were all saying

that if we passed the ninetieth day, the International Labor Organization would intervene. These people are all waiting for the ILO to put pressure on the government. We really want more media to intervene here and increase the pressure to solve our problem as soon as possible. We don't dare confront other things because they'll arrest us for an out-of-line comment.

We did contact [the local of the official union]. They didn't care. They care about nothing. They have the same viewpoint as the Communist Party, which is to screw us. [According to the union], if you're no longer under a labor contract, you're not a worker anymore, so the union is not there for you.

Let's stop talking. There're already quite a few plain-clothes [policemen] standing in front of me. Talking about sensitive problems, they've already caught up with me.

Conclusion

In the end, the Daqing workers did not win their demands and their independent union didn't survive. The ILO complaint filed by international unions had no effect on the Chinese government. Still, these protests were a significant landmark for Chinese workers, and represented an important breakthrough on a number of fronts. For example, despite government efforts at a total news blackout, oilfield workers in other provinces learned about the protests and staged solidarity strikes and organized similar protests against the threat of mass layoff. This marked a significant watershed as, for the first time since 1989, labor organizing succeeded in breaking government attempts to prevent solidarity and communications between groups of protesters across China.

Many characteristics of the Daqing protests also recall — on a much smaller scale — those of the 1989 Tiananmen pro-democracy demonstrations in Beijing. Like the Tiananmen Square activists, the Daqing protesters staged their demonstration at and occupied a public square of great symbolic significance. As at Tiananmen, the Daqing rally lasted for months. Protest banners, songs, poems, riddles, and slogans filled the square. The government tried to put down the demonstrations by police intimidation, containment, detention of leaders and organizers, and finally mass police mobilization. The Daqing protests, like the Tiananmen Square protests, drew considerable international media coverage.

The Daqing protests were interesting, not only because they took place under the icon of working

class hero, the “Iron Man,” but also because, for the first time in recent Chinese history, an independent, plant-based union was organized by a large number of workers at a state-owned enterprise. The potency

of the Daqing demonstrations was not only perceived by local officials, but felt far beyond the city of Daqing and Heilongjiang province.

¹ *China Labour Bulletin*, “Daqing Oilfield Workers’ Struggle (1),” Radio Free Asia-China Labour Bulletin, March 5, 2002, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=18313&item%5fid=1630>.

² *China Labour Bulletin*, “Daqing Oilfield Workers’ Struggle (2),” Radio Free Asia-China Labour Bulletin, March 5, 2002, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=18321&item%5fid=1654>.

³ *Ibid.*

The Liaoyang Ferroalloy Protest

How is it a crime to ask for our wages? How can that be subverting state power?

PROTESTING WORKER

Is it possible that a Chinese nation under the leadership of the Communist Party can leave no space for workers?

OPEN LETTER TO PRESIDENT JIANG ZEMIN

Summary

ON MARCH 11, 2002 — just six days after 50,000 oil field workers in Daqing launched their movement — several thousand workers from the Ferroalloy Factory in the northeast industrial city of Liaoyang took to the streets to call attention to the swelling number of impoverished, laid-off workers in their city. As in Daqing, the shut-down of state-owned enterprises (SOEs) — against a backdrop of corrupt plant managers and local politicians, unresponsive official unions, unpaid back wages, coercion, and broken promises on pensions and other benefits — had created a critical mass of desperate workers.

The Ferroalloy workers were soon joined by several thousand more workers from other factories, who harbored similar grievances. A week into the demonstrations, the police jailed several protest leaders. The police action immediately spurred 30,000 workers to join the demonstrators to protest the arrests.

Both the Daqing and Liaoyang protests were part of the explosion of labor conflicts in China that spring. These protests grabbed the attention of the topmost leadership of the Chinese Communist Party as well as the international media. China's political elite were gathering that month for the annual session of the National People's Congress (NPC) and the National People's Political Consultative Conference (NPPCC). As delegates sat in Beijing's Great Hall of the People, they could feel the reverberations of angry workers marching in the streets hundreds of miles away.

Despite similarities with other protests, the Liaoyang struggle was also quite different — it was the longest and best-known labor campaign in China dur-

ing this period. The March 11 protests were just the culmination of a campaign that had started in 1998 and lasted through 2003. Unlike Daqing, the Liaoyang protests also had a notably political agenda. From the start, the Liaoyang leaders wanted more than economic relief; they wanted to combat political corruption. This corruption included embezzlement, collusion between managers and top government officials on bankruptcy deals designed to enrich them at the expense of workers, and using party and government influence to “loot” enterprise assets.

The workers addressed their grievances directly to the political establishment, including China's President Jiang Zemin. They devised innovative techniques with a distinctly political edge, such as filing a lawsuit against three government departments in an effort to free their imprisoned leaders and draw attention to government corruption. The Liaoyang leaders organized an embryonic independent labor union that had a deeper and more sophisticated structure than the

Daqing union. One of Liaoyang leaders, Yao Fuxin, had a noteworthy history as a political activist (see sidebar for Yao's profile).

Throughout their long campaign, the Liaoyang workers carefully considered their tactics. They used conventional channels — petitions, letters, meetings, negotiations — to press their grievances. Only after several years of frustration and failure did they decide to take their complaints “into the street” in March 2002. And even then, they were determined to use lawful, nonviolent means. They maintained a faith in the system — if not in all the leaders in that system — until the tactics of the brutal police state wore them down.

For their part, China's leaders immediately recognized the political nature of the Liaoyang campaign — and were shaken by it. They made a concerted effort to lure the protesters away from politics by offering enticements: back pay, reimbursement for medical expenses, and pension insurance. At the same time, the regime adopted measures against Liaoyang's leaders that were more far-reaching and brutal than any employed at Daqing. They arrested and imprisoned leaders under conditions so brutal that their health quickly deteriorated: the jailed leaders suffered heart attacks, strokes, tuberculosis, and kidney and liver ailments. The regime accused them of subversion — the most serious political crime in China, punishable by long prison terms or death. And even when these workers became ill and clearly incapable of organizing anything, the government still feared their political influence and never reduced their punishment.

Despite the hardships, the Liaoyang workers were very resilient. A core of about 200 workers continued to press for the release of their leaders for more than a year, resisting all intimidation, even after two of the leaders were sentenced to prison terms for subversion. As soon as the Liaoyang leaders were jailed, their wives and daughters stepped forward to lead the campaign. This phenomenon — the “shadow leadership” role of women — has been seen in protest movements elsewhere in China.

Once the Liaoyang struggle began, some of the workers and organizers telephoned Han Dongfang to air their grievances and publicize their campaign through his radio program. After the arrest of the key leaders, Han was able to maintain regular communi-

cation with their family members and other protesters (who remained anonymous). He also interviewed local officials. Han's reports, a vital source of information about the Liaoyang campaign, were disseminated around the world. He also promoted solidarity actions within the international community. As a result, Han himself was listed as a “hostile element” in the government's final indictment of two Ferroalloy labor leaders for subversion.

The Story Begins: Bankruptcy at Ferroalloy

Financial difficulties at Liaoyang Ferroalloy surfaced in the 1990s. The plant had once employed as many as 12,000 cast iron and iron alloy workers, but by the 1990s, the workforce had shrunk to 6,000. In 1995, the newly-appointed party secretary and company director, Fan Yicheng, joined with former Liaoyang City mayor and party secretary, Gong Shangwu, in an ostensible effort to rescue the company. Their effort ultimately failed and in 2001, Fan decided to apply for bankruptcy. The stage was set for confrontation.

Under Chinese law, the state enterprise workers must agree to a bankruptcy decision and procedure.¹ So, in mid-October 2001, the company director called a meeting of the Ferroalloy Workers' Congress to vote on his bankruptcy proposal. On the day of the meeting, more than 500 riot police were deployed in front of the factory. They barred certain workers from entering.

Inside the factory, voting took place in 13 different rooms, each guarded by two plainclothes police officers. This intimidating arrangement created so much anger that some workers walked out. Others cast votes opposing the bankruptcy plan, only to see election officials tear up their ballots on the spot, in full view of everyone in the room. Not surprisingly, the outcome of vote was “approval” of management's bankruptcy proposal.

Under the terms of that proposal, more than 3,000 Ferroalloy workers — about half the workforce — lost their jobs. The rest, including over one hundred management staff and the head of the All China Federation of Trade unions (ACFTU) — the government-controlled official union — were re-employed in spin-off companies.

For the laid-off workers, the bankruptcy settlement stipulated retirement benefits or layoff benefits. These parts of the settlement turned out to be little more than empty promises. When payment was not forthcoming, the workers, long suspicious of Fan Yicheng, accused him of misappropriating company funds.

An Independent Union

In 2001, a number of dissatisfied workers formed an independent union and elected about 12 representatives to organize and coordinate their struggle.² Three key leaders were Yao Fuxin, Xiao Yunliang, and Pang Qingxiang. Yao Fuxin had been laid off from the Liaoyang Rolled Steel Factory, but his wife, Guo Xiujing, worked at Ferroalloy. Xiao Yunliang lived next door to Yao and Guo. Pang was a truck dispatcher at Ferroalloy. Most of the representatives were in their 50s; a few were in their 30s. The organizers of the nascent union held small meetings at Guo Xiujing's convenience store. When several hundred workers met, they used the large conference room in the Ferroalloy plant. According to one organizer, they were always determined to take only proper and lawful action. They still believed that the Chinese system would treat them justly and humanely. For example, an organizer once suggested that the protesters lie across the railroad tracks, a common protest tactic used by many desperate workers and peasants across the country. But Yao Fuxin argued against such militant action.³

[W]e were drawing up a comprehensive plan. We had groups in charge of safety, morale, and medical care. We wanted to make sure there was no unlawful behavior.⁴

The Liaoyang Ferroalloy organizers understood the risk of a police crackdown — in fact, they drafted an emergency plan which included a list of alternative leaders in case the existing leaders were detained by the police for a long period. They wrote dozens of letters and sent delegations to local and national government departments, asking for an investigation of financial mismanagement and swindling at Ferroalloy. In the months leading up to the March 2002 protests — between October and December 2001 — the workers staged three marches in Liaoyang to deliver petitions to the city government. The marches

drew between 1,000 and 3,000 workers. They got no response. A worker representative described their frustrating effort to get the government or the official union, the ACFTU, to handle their complaints.

We've got our hands on so much information [to prove corruption] and have taken it to the Central Committee in Beijing, the Disciplinary Committee there, the State Council's General Office and Complaints Station. We've been everywhere but always get the same response — we don't get to see anyone. We've been working on this anti-graft business for more than four years. We've been to the ACFTU on a number of occasions, but they've never taken any real notice of us. So now we've changed our tactics.⁵

“Dear President Jiang Zemin”

The Ferroalloy independent union decided that the time had come to intensify their public protest campaign. The campaign was scheduled to begin on March 18, 2002. The idea was to hold the demonstration against the backdrop of the final sessions of the National People's Congress and the National People's Political Consultative Conference in Beijing. Liaoyang City's representative to the NPC was none other than former mayor Gong Shangwu, who helped engineer the Ferroalloy plant bankruptcy. In early March, in an address to the NPC, Gong boasted that Liaoyang had no unemployed workers: there were only workers “sent home” (*xiagang*). And for these workers, Gong claimed, the city government could guarantee monthly payments for living expenses. Liaoyang local television broadcast the speech which outraged tens of thousands of impoverished workers, who had not seen one yuan of the payments touted by Gong.

Hoping to draw new strength from the popular outrage, the Ferroalloy protest organizers quickly changed the date of the protest march to March 11. They pasted flyers in workers' neighborhoods around the city, explaining the workers' grievances and demands. The organizers also sent an open letter to the country's paramount ruler, President and Communist Party Secretary Jiang Zemin, asking launch and investigation and clean up the corruption that had led to the Ferroalloy bankruptcy and the cheating of workers that followed. Another open letter, signed by “the unemployed former workers of the bankrupt Liaoyang Ferroalloy Factory,” was sent to the Liaoning Provincial Governor Bo Xilai and to the city government.⁶ The letters laid out the workers' accusation

Postscript: One Released, the Other Still Languishes in Prison

On February 23, 2006, three weeks short of his full four-year prison term, Xiao Yunliang was released. According to his daughter, Xiao Yu, he was in very poor health.

XIAO YU: He always felt sick in the prison. He had intrahepatic duct stones in his liver, a cyst on his right kidney, and he suffers from chronic superficial gastritis. He got tuberculosis when he was held in the detention center. But at that time, the officers at the detention center did not tell us about it. Two years ago, when the Shenyang Number Two Prison arranged a medical examination for him and to check his eye problem, my father was found to have tuberculosis. But it was too late. He was found to have calcified lungs. He coughed heavily after he returned home. He's all right during the daytime, but he coughs heavily at night.

Xiao's poor health did not dispel government fears that he was a political threat. Public Security Bureau (PSB) officers — China's political police — carried out around-the-clock sur-

veillance of his home. Xiao Yu told the *China Labour Bulletin* (CLB) that the entire family continued to feel harassed. The state security officers' only response was to suggest that she jump off a building if she couldn't stand the surveillance.

XIAO YU: You know, there are some public security officers who've been staying outside our house since my father returned home. Our house has two doors, one big and the other small. Our home is a small guesthouse, and we always have a few guests. On the day before my father's release, two child hawkers came to stay at our home. Some police officers were watching us. They talked to everyone who entered our house. They asked them what they were doing and checked their identity documents. ...

... The police didn't ask them just once or twice. They ask and check them every time they go out or come back from meals or work. Last night, I went out to tell the police officers that if they continue doing that, nobody will come to our

guesthouse. I asked them if they wanted us to live. I told them: "We can't live like this." They replied: "You can't live like this? There's a six-story building at the back. If you can't live like this, you can jump from there."

CLB: The public security officers said that to you?

XIAO YU: Yes, they pointed out the six-story building behind our house, and they asked if I wanted to jump from there. ... I just can't understand it. Why do they treat us like that? They want to threaten us or what? We thought about it last night. We couldn't figure out whether it's just the problem of the police officers or the problem of the Public Security Bureau. We now feel threatened. We don't know how we can live like this. My father has been released from prison. He is freer to move around at home than in prison, but nothing more than that.

At this writing, Yao Fuxin remains imprisoned.

of malpractice and misappropriation of funds by both Ferroalloy director Fan and former mayor Gong. The organizers also called for Gong to resign as their local delegate to the NPC.

The letter to Jiang — which went unanswered — was bold and extraordinary (see sidebar). It revealed seemingly contradictory characteristics of the protest organizers: strong political instincts and a courageous willingness to go for the ideological jugular, combined with a genuine expectation and faith that the Communist leadership would respond. All the open letters

struck a strong chord with aggrieved workers who felt betrayed by and bitter toward the local authorities. At the same time, the campaign created a great deal of anxiety among the local authorities, and they reacted predictably, sending forces from the Public Security Bureau (PSB), China's political police, to track down Yao Fuxin and the other leaders of the independent union at their homes late at night. For several days before the protest march, the key organizers at Ferroalloy stayed out of sight in order to avoid police detention.

Into the Streets

Against this backdrop, early in the morning of March 11, 2002, several thousand Ferroalloy workers marched along Liaoyang's main street called Democracy Road (*Minzhu Lu*). Mass street demonstrations were a change in tactics, but the main demand remained the same: an investigation of the malpractice and misappropriation of funds that led to the bankruptcy of their factory. To the surprise of the Ferroalloy protesters, a much larger number of supporters and workers from other troubled state-owned enterprises joined them. They came from Liaoyang Textile Factory, Liaoyang Piston Factory, Liaoyang Instruments Factory, Liaoyang Leather Factory, and Liaoyang Precision Tool Factory. More than 10,000 workers marched in the streets all morning.

The demonstrators marched to the Liaoyang court building and demanded that the chief judge and chief administrator come out and talk to them about corruption in the city. No official emerged. Next, the workers marched to the municipal office of the People's Congress to demand Gong Shangwu's resignation. Finally, they rallied at the city government headquarters. Some junior officials from the city government offered to meet with the workers' representatives but were turned down: The protesters said they'd had enough of the local government. They wanted to meet with senior officials from the provincial and central governments. The police didn't interfere with the demonstration that day, and there were no violent clashes.

Yao Fuxin and others led the protesters in chanting, "Workers want to eat!" "Workers want a job!" and "The army of industrial workers wants to live!"⁷ Leaders of the Ferroalloy independent union and many other workers gave speeches at the rally in front of the Liaoyang government headquarters and shouted their demands. Addressing a crowd of protesters for the first time, one female worker fired off an almost unthinkable bold question: "*Who is this government for?*"

This government doesn't stand for the people. They cover up for the corrupt officials. Why don't they arrest our factory officials who embezzled over a hundred million yuan [\$12 million]? It's like worms eating up the factory—hundreds of millions of yuan have disappeared. Why aren't they arrested? They arrest us workers. Who is this government for?⁸

Yao Fuxin, in tears, spoke about the workers' deep sense of betrayal by the party-state. "We gave our youth to the party for nothing!" he cried.⁹ The crowd responded with thunderous applause.

The Ferroalloy workers were unusually well organized and had a core of representatives prepared to negotiate with government officials. On March 12, Yao Fuxin, Xiao Yunliang, Pang Qingxiang, Wang Zhoaming, Gu Baoshu, and seven other worker representatives met with 12 top officials in the city government headquarters. In the next few days, several more meetings took place. Meanwhile, in the streets below, the workers' continued their mass demonstrations.

Leaders Detained

Early in the morning on March 17, five days after the first meetings with top government functionaries, plainclothes officers grabbed Yao Fuxin when he left his home to buy cigarettes. His family members and the other organizers immediately went to the police station, but no one would confirm his whereabouts.

For two days following Yao's detention, more than 30,000 workers demonstrated in Liaoyang and rallied at the city government building to demand Yao's release. His daughter, Yao Dan, described to Han Dongfang how the workers managed both to unite in the face of this police crackdown and to exercise restraint in order to avoid further arrests. She also confirmed that they knew about the mass workers' protests taking place in Daqing.

HAN DONGFANG: Do the workers here in Liaoyang know about the workers' protests in Daqing?

YAO DAN: We've heard about it. We all know.

HAN: Are people united?

YAO: We're united. How could we not be? Workers from all the city's enterprises have formed alliances. ... Everyone has gone back to their neighborhoods and surrounded the representatives' houses in order to protect them. This is what we have to do. One of us has already been taken away, and if others are arrested, then who is going stick their necks out and speak up? ... The only reason the workers from the Ferroalloy Factory haven't blocked the railway tracks is that this would give the government an excuse to grab our representatives and lock them up. If it wasn't for this, then we would have blocked the tracks already. With things as they are, why should we fear death?¹⁰

On March 19, Xiao Yunliang, another key representative, spoke to Han Dongfang on the telephone

about the workers' reaction to Yao Fuxin's arrest. The very next day, the police arrested Xiao. A transcript of Xiao's conversation with Han appeared in his indictment, which asserted that communicating with Han Dongfang (who was a "hostile element," according to the authorities) exposed Xiao's dangerous aims.¹¹ Here is an excerpt from the "subversive" conversation:

HAN DONGFANG: Is your personal safety under threat?

XIAOYUNLIANG: Of course my personal safety is under threat! I don't know if they will come and get me tonight. I have been in hiding these last few days.

HAN: Facing this kind of threat to your personal safety, why do you continue to serve as a workers' representative?

XIAO: Yao Fuxin is our representative and he has been detained. Our main priority is to get him released. We are even willing to drop all our other demands. This is the general view of all the factory workers at our plant. After we've got him out, we have to discuss the next step in the fight against corruption. We have to get rid of this corruption! I am 57 and a Communist Party member. I joined back in '65 because I believed the party's aim was to secure the welfare of the people. What I see now is that they are not providing welfare to the people, so we ordinary people have to rely on ourselves to protect our right to a livelihood.

HAN: How many of the people taking part in this action are party members?

XIAO: Many. And cadres as well. We're all in the same boat.¹²

During a confrontation with street demonstrators on the day Xiao was arrested, the police also arrested two other representatives of the Ferroalloy workers: Pang Qingxiang and Wang Zhaoming. Yao Fuxin's daughter, Yao Dan, described the clash with the police.

There were three representatives detained today ... All three were taken away. Today they used the People's Armed Police [PAP] and the Public Security Bureau's officers. They all came out, and there were three truck loads of guys from a PAP unit in front of the gates to the government offices. The PAP pushed us out [of the government compound] into the rain where we were drenched, including 70- and 80-year-old women. ...

It poured down rain in Liaoyang today. We all got soaked during the petition and went home when the weather cleared up after deciding we would come back tomorrow. There were about 30 people protecting the workers' representatives on the way home. Then the police and the PAP turned up and violently snatched them right there on the main road. Some of the older folks were knocked down and trampled

during the pushing and shoving. Lots of people were hurt. ...

... We thought that they wouldn't dare to attack older people — at least that's what we thought at the time. But they [the PAP and police] couldn't care less. They just knocked them down anyway.¹³

At this point, faced with the official crackdown, the Ferroalloy protestors decided not to put any more of their representatives at risk.

HAN DONGFANG: So does this mean that all the workers' representatives have been detained?

YAO DAN: Basically yes. A few people are still here. They are all younger ones who have stuck their necks out. Several of them are under our protection.

HAN: Are they in hiding?

YAO DAN: Yes, they're in hiding.¹⁴

Yao Dan also described how the workers managed to free another of their representatives.

They also detained another of our representatives, Gu Baoshu, when we were inside the government courtyard. He was trying to talk to the people from the Complaints Office to help us contact the leaders. He was dragged into a small room when nobody was looking. An old woman inadvertently saw what was happening. About a hundred of us went up to the room to rescue him. We forced the door open and freed him.¹⁵

Yao Fuxin's wife, Guo Xiujing, said the workers decided not to put any more of their representatives at risk. They assumed, however, that one representative — an elderly, handicapped worker confined to a wheelchair — would still be safe on the "front line." They didn't think the police would dare arrest him. There is a well-known Chinese saying that goes, "Put off the enemy by offering some bitter meat," which the workers believed would apply in that case.

Guo also described how the older people tried to protect the younger workers from the police.

GUO: We will continue tomorrow, but again, it will be the old folks taking the lead. The young people all want to come out. But the older ones want to protect them, and they won't let them out.

HAN: But these people still want to charge ahead?

GUO: Yes, they do. But for the sake of their own safety, they can't be allowed.¹⁶

On the morning of March 21, for the fourth consecutive day, more than 1,000 Ferroalloy workers gathered at the city government headquarters to demand

Excerpts from “Open Letter to the General Secretary of the Central Committee of the Communist Party of China, Jiang Zemin”

March 5, 2002

Esteemed General Secretary Jiang Zemin: Greetings!

... Ever since this group of corrupt people linked up in 1995, they have acted in cahoots to reduce, through double-dealing and plotting, a perfectly good SOE to absolute chaos: production stopped, workers were laid off, and employees driven to indescribable despair. The sweat and blood of workers has been used to nurture a colony of parasites. Under the pretext of procuring goods, Fan took holidays abroad and gathered up large amounts of foreign exchange to fill his own personal coffers to the brim. At the factory, he bullied and intimidated workers and used hundreds of thousands worth of public funds to refurbish his house and send his two children abroad to study. Fan and his corrupt friends used state funds to eat, drink, gamble, philander, and anything else they felt like doing. There were no limits to their extravagance...

We have no pensions or medical insurance, and there is also no minimum welfare fund. To date, the promises of adequate welfare that the government made in a draft document prior to the bankruptcy have not been met. The bankruptcy went through leaving the workforce in tears and the corrupt officials laughing all the way to the bank. ... legal activities have produced a legal company, and

the government has done its utmost to cover up and collude in this almost perfect crime.....

The vast majority of workers have been driven beyond the limits of forbearance by this group of people who have colluded together with Liaoyang government leaders in a swamp of corruption to shore up their own interests, maintain their official jobs and positions and ignore both party discipline and national laws....

Is it possible that a Chinese nation under the leadership of the Communist Party can leave no space for workers? Is there no other road except this road to tragedy? The Chinese Communist Party has led the broad mass of the Chinese people through eighty years of bitter struggle that continue to this day. The party's aim has been to serve the people and their pursuit of prosperity and well-being ...

Respected and beloved Secretary General Jiang, we do not oppose the leadership of the Party or the socialist system. Aside from demanding our legitimate and legal rights, all our efforts are aimed at helping the country dig out and eliminate all the corrupt worms boring away at and ruining our socialist economic system ...

... Since the reforms started, the Chinese working class has been the Party's source of fresh, combat-ready troops in the economic battles that have faced our country. From our studies of Central Committee

documents and your “Three Represents” speech, we know that the working class is still society's foremost source of wealth and also its driving force. To ignore this truth would be an irreversible mistake and could even put the country into great peril ...

Faced with this tragic scenario and with no other option or way out before us, we hope that you, as our leader, can lead us out of this darkness and put us back on the right track. Send us a team of good cadres to investigate and clean out the crimes of these corrupt people and deal with this matter in the spirit of justice. We fervently hope that you will read this letter. It is perhaps more than we deserve that you hold-up your valuable time but there are genuine reasons for our actions. We had no option but to write directly to you.

Finally we wish you a long and healthy life and offer our deepest respect,

Yours sincerely

THE UNEMPLOYED FORMER WORKERS OF THE BANKRUPT LIAOYANG FERROALLOY FACTORY, LIAONING PROVINCE.

(The full text can be found here: <http://www.china-labour.org.hk/public/contents/article?revision%5fid=1871&item%5fid=1870>)

their leaders' release. In response, the police arrested two demonstrators.

Despite the detention of their leaders, most of the workers still had hopes that the central government would right all the wrongs. Guo, too, expressed this feeling:

I can still stick it out, otherwise what else can I do? All the workers and their families at the Ferroalloy Factory come here every day. [She weeps.] They all bring food for me; they keep me company. There is nothing we can do, we can just hope that someone will be sent down from the Central Disciplinary Committee and this lid will be lifted. Only then could these few fellows from the Ferroalloy Factory be freed. At the very least the central leadership should send somebody.¹⁷

The Independent Union Comes Apart

The Ferroalloy independent union began to splinter under the pressure of the police onslaught. Prior to the crackdown, the organizers had agreed on a contingency plan in the event that the first tier of leadership was put in prison. This plan failed when the second tier leader, Chen Dianfan, stayed away from the protests. He later admitted that he had been intimidated by the police — his home phone was tapped, and he was under strict police surveillance. He reported to a foreign journalist, “I was told I would be sent to prison if I dared do anything.”

This worker then secured a good job in one of the Ferroalloy canteens, and while he showed up at protests, he hung back and refused to assume a leadership role. His behavior introduced a sense of distrust and suspicion into the organization which soon overwhelmed the independent union organizers. As the social basis of the union began to crumble under official pressure, family ties became the only sustainable basis for an organized campaign. Soon after the arrests, Yao Fuxin's wife Guo assumed an implicit leadership role. She led the months-long campaign for the release of her husband and the other imprisoned unionists. She explained how she and other family members of the prisoners stepped forward to protect the younger organizers who otherwise would have “stuck their necks out only to have their heads chopped off.”

GUO XIUJING: The main thing is that now these leaders of ours have been picked up. There are some other younger guys who will stick their necks out, but that means the PSB will just go on detaining people. Any-

one who acts as a representative will just get picked up. We don't want things to get that bad. That is not our aim.¹⁸

The authorities allowed Yao Fuxin to talk to his wife, Guo Xiujin, on the phone on March 21, 2002. This was the first time his family could confirm where he was and that the PSB was holding him. Calling from the detention center, Yao said that the demonstrations should cool down.

GUO XIUJING: When he phoned, someone else came on the line first and said, “Are you a relative of Yao Fuxin?” I said “yes.” Then he said, “Well, he would like to have a few words with you.” That was it. Then he let Yao Fuxin persuade me to talk to everyone and ask them to call off the demonstrations. After Yao had finished...I asked him, “Are you OK?” He said, “Yes” and that he had already talked to Gong Yi [the Chief of Police]. I asked, “What did he say?” He said, “Nothing much.” That's what Yao said. He didn't give a precise day when people would be released. The main thing he talked about was that people should stay off the streets and stop demanding that the government release people. People needed to calm down since he had already talked with Gong Yi. I said, “So what did he say about you and the others? He said, “It's nothing, nothing to worry about.”¹⁹

The following day, state security telephoned Guo to report that Yao had suffered a stroke and had to be hospitalized. Guo's request to visit him in the hospital was refused. Yao's family maintained that he had no prior history of heart problems. He was allowed to call his family again on March 31. Yao told his wife that he had fallen ill several times from heart problems since he last spoke to her. Three weeks later, on April 11, Guo was finally allowed to visit her husband for the first time. Yao Fuxin told his wife that he was kept in shackles for the first four days of his imprisonment.

With their leaders imprisoned or disappeared, the independent union of Liaoyang Ferroalloy collapsed. The police paid frequent, harassing visits to the homes of more than 50 leaders and organizers. The organizers destroyed all their printed materials and went into hiding. Some were on the run for weeks. When one of them returned home after several weeks, the police picked him up and interrogated him for a whole day. In the following weeks, they took him in several more times and offered him money to help out with his financial difficulties.²⁰ While some organizers managed to resist such temptations, they began to wonder

how many of the other organizers succumbed and agreed to be undercover PSB agents. Solidarity was destroyed.

Courage and Resilience

Even the arrests and the collapse of the independent union did not deter a core group of some 200 Ferroalloy workers from continuing their street demonstrations at regular intervals. After the crack-down, the workers' demands became even more overtly political, focusing on the imprisonment of their representatives, police brutality, and government corruption. Guo Xiujing led this sustained campaign for over a year.

Still sticking to the “play by the rules” strategy, Guo applied for permission to hold a May Day rally, but threats from the city government and the official trade union forced the organizers to abandon the plan. Then, around midnight on May 5, flyers appeared all around the Ferroalloy residential neighborhood calling on workers to stage a rally in front of the city government headquarters on May 7 and 8. The police discovered the flyers early in the morning and immediately removed them. Guo denied any knowledge of the organizers (who remain unknown). The flyers listed five demands:

1. Release the workers' representatives unconditionally, rehabilitate their reputations, and compensate them for their losses.
2. Investigate the legal responsibility for the bankruptcy of Liaoyang Ferroalloy and disclose the full story of how bankruptcy was used to cover up corruption and misappropriation of funds.
3. Establish the responsibility of someone named Liu who swindled RMB 3 million (\$362,318) from Ferroalloy and who had received only a suspended jail sentence.
4. Gu Baoshu was badly beaten up on April 16, 2002. Those responsible must be duly penalized.
5. Protect the lawful rights of unemployed workers.

As a result of the “midnight flyers,” several hundred Ferroalloy workers showed up on May 7 to march to city government headquarters. They demonstrated

for several days, and their numbers finally reached 800. Then, on May 9, workers from other troubled plants joined the demonstration. Guo Xiujing described the scene of the demonstration that day.

GUO XIUJING: We got there shortly after 9 a.m. Altogether with some from other plants, we were 500, 600, 700, 800 people.

HAN DONGFANG: Did you raise any banners?

GUO: Yes, we did. One read “Ferroalloy Factory,” and the other read “strongly demand city government to release detainee.” Pretty soon a few government officers came over to talk to us. First, two officers from the complaints office came over and told us, “This is creating a bad influence. Take them [the banners] down quickly.” Everybody said, “No, we won't.” Shortly afterwards, six or seven government officers came over and began to snatch our banners. The PSB officers did not take part. They arrived but all stayed inside the government compound. Our “Ferroalloy Factory” banner, a red banner, got snatched away. ...

... The other banner read “strongly demand city government to release detainees,” and our folks wouldn't let them snatch it away. So we ended up in a tug-of-war. What a disgrace! All these government officials, “rom-rom-rom” — just like in tug-of-war. At the end, our folks won and snatched back our banner [she laughs].²¹

With their remarkable courage and resilience, these workers continued the demonstrations for days. Workers from even more plants joined them, protesting their loss of livelihood. On May 13, the vice mayor came out to meet them, but on May 15, the police used force to break up the demonstration. Undeterred, the protesters returned the next day and were joined by an even greater number of workers who had heard about the police violence the previous day. The demonstrators again hoisted their banner demanding the release of their representatives, and two elderly workers — one was over 80 years old — went inside the government office to demand a meeting with the mayor.

On May 17, 2002, the vice mayor met with Guo Xiujing and two other representatives. He assured them that he would immediately investigate and report on the matter. He also indicated that the prisoners might be released soon. Despite all past experience, Guo and the other workers still believed these reassuring words from the Liaoyang authorities and decided to suspend the daily protests. According to the vice mayor, if they held off demonstrating, the case of their imprisoned leaders could be handled more easily.

From May until mid-July, the Ferroalloy campaigners waited patiently for the release of their representatives, but once again, what they naively hoped for never materialized. On the contrary, and with no warning, the Liaoyang government informed Guo Xiujing that her husband and other detainees would be put on trial. Outraged, the Ferroalloy workers decided to resume their demonstrations.

In mid-August, some 600 Ferroalloy workers filed a lawsuit with the city prosecutor, charging the political police (PSB), the city government, and the Ferroalloy management with unlawful arrest, assault, wrongful termination of employment, and failure to prosecute corruption and malpractices among its officials.

The prosecutor's office rejected their suit on the grounds that the charges were not specific enough. The workers' suit was a striking sign of energy, courage, and hope at a time when circumstances were quite dire.

Unwavering Defiance

On December 20, 2002, the government released two of the four detainees, Wang Zhaoming and Pang Qingxiang, on probation. According to the *Washington Post Foreign Service*, the authorities warned them to avoid other laid-off workers and to devote their energies instead to gathering evidence against protesters.²² Wang remained defiant after his nine-month imprisonment. In an interview, he asserted that he wanted to file suit against the police for his unlawful incarceration.

HAN DONGFANG: Have you ever regretted what has happened to you over the past nine months?

WANG ZHAOMING: Nothing to regret. I still think that what we have done is an act of justice. We are only asking for our back pay. This is reasonable and legal in every sense. It is our hard-earned money. Why [is the factory] holding it? ... It simply doesn't make sense to us. We have to get it back. The government has done nothing despite our numerous petitions. We were left with no options but taking to the streets! Two of us are still locked up. They've got to release them! ...

... The Labor Law states that state enterprises have to settle outstanding payments before going bankrupt. [Ferroalloy] has got to pay us. It is illegal to simply declare bankruptcy without paying us our wages. That's why we petitioned. We haven't done anything against the public. Everything we have done is fair and just. We haven't done anything wrong. We are just asking for

our hard-earned money, our back pay. We want to live. The government has the responsibility [to ensure our livelihood], and no one can contest that. We want to know what the court has got to say, who is in the wrong. There has to be a definite outcome.²³

Wang also spoke about his strong aspirations for the workers to have control over their own lives.

I hope that fellow unemployed workers will remember us. I hope you [Han Dongfang] will give us some concrete help. It's really difficult for us now. But I am not talking about money. Our problems can be solved if we workers can exercise our rights to live and manage our own lives.²⁴

Three days later, Wang was once again detained by police. Yao Fuxin echoed Wang's defiance when his wife and daughter visited him in his prison cell.

I have no regrets, no regrets. Why should I? I didn't oppose the party. I didn't oppose socialism. We just wanted food to eat.²⁵

Xiao Yunliang, too, remained outspoken. Although his younger brother was a lawyer with the People's Liberation Army, Xiao refused to hire him or anyone else for his defense. He said to his daughter:

Don't get me any lawyer. It's useless. The government is the prosecutor, but it's also the defendant.²⁶

Government Tactics

The government pursued its usual tactics for crushing popular protests: yield on some economic demands for most workers and move ruthlessly against the core leaders. Nearly all outstanding medical expenses were eventually reimbursed, half of the salaries in arrears were paid, and the workers' pension insurance cards were issued. Occasionally, the government also gave several hundred RMB or several sacks of flour to especially poor families from Ferroalloy. And, in September 2002 — long after the protests began — the government finally arrested and tried Fan Yicheng, the corrupt factory manager. He was sentenced to 13 years in prison in March 2003.

At the same time, the political tone of the Liaoyang protests — and the political histories of its leaders, especially Yao Fuxin — appeared to prompt the regime to lash out against the leaders in a far more severe fashion than at Daqing. The authorities were determined to destroy the movement, its organization and its leadership.

Profile of an Independent Unionist: Yao Fuxin

Yao Fuxin, born into a poor family in 1950, grew up in the “New China” under Communist Party rule. Despite the regime’s repressiveness, he built up a long history of social and political activism. During the Cultural Revolution, he was sentenced to five years of “reeducation” in a labor camp for criticizing Mao Zedong and the ruling party. This was a period during the 1960s when tens of millions of people suffered similar fates. During the 2002 Ferroalloy protests, Yao’s daughter, Yao Dan, recalled that her father had always said that his experience in the labor camp would enable him to withstand any hardship if he were imprisoned again.

After finishing high school,

Yao Fuxin worked in the Liaoyang Steel Rolling Factory until he was laid off in 1992. Only 42 years old, Yao remained active and tried to organize petitions and protests among his coworkers. He also got involved in broader discussions about China’s political system: he wanted a more democratic system which would look after the interests of working people. He listened to banned radio broadcasts such as the Voice of America and attended a few meetings in 1998 with organizers of the banned Democratic Party of China. Over the years, the police detained Yao several times but never held him for more than a few weeks.

After he lost his job, Yao and his wife, Guo Xiujing, set up a small convenience store in their neighborhood, a choice made by many resourceful laid-off workers. But unlike most small stores, Yao and Guo’s store became a place where workers living in the neighborhood—most of them from the Ferroalloy Factory—came to drink tea and discuss events in Liaoyang and the plight of the unemployed. The local public security officers considered the store a hotbed of labor activism. Yao went on to lead the Liaoyang protests. His story remains one of the outstanding instances of a defiant social activist and democratic unionist in contemporary China.

According to some accounts, it’s possible that the hard-line position on the Liaoyang prisoners came down from Beijing between June and November 2002. This is suggested by comments made by top ACFTU leaders in response to international criticism on the handling of the Liaoyang protests. The International Confederation of Free Trade Unions (ICFTU) filed a complaint against the Chinese government for violating International Labor Organization (ILO) conventions on freedom of association and collective bargaining. The government replied to the complaint at the annual June ILO conference, claiming that Yao Fuxin “had been detained because he had broken Chinese law by carrying out car-burning and not because he had organised a workers’ campaign.”²⁷ In its formal reply to the ILO in September, the government alleged that the four prisoners had “jointly carried out planned activities of terrorism and sabotage.”²⁸ The deputy chairman of ACFTU repeated these allegations at a press conference in Beijing on November 11.

In stark contrast to the Beijing ACFTU, the local ACFTU denied the charges. In an interview on November 12, Han Dongfang asked the chairman of

the Liaoyang Municipal Trade Unions about the violence:

HAN DONGFANG: Was there any violence at all during the petitions?

CHAIRMAN SU: No...Everything was peaceful.

HAN: We have heard reports that Yao Fuxin was involved in burning cars.

SU: That is sheer rumor. There is no way that Yao Fuxin was involved in such activities.

HAN: None at all?

SU: No. No!²⁹

Other interviews by Han reveal the same contradiction between local and central government authorities. A security officer working for Liaoyang city government claimed in a November 12 interview that there had been no car-burning incidents. The only disturbance he could report took place when the workers were petitioning in the city government headquarters. It amounted to this: a large number of workers entered the canteen during lunch hour and ate all the steamed buns (*mantao*).

HAN DONGFANG: Can you confirm for us that during the Ferroalloy Factory workers’ petition in March,

some cars were burnt? Did anything like that happen?

SECURITY OFFICER: No. None of that happened.

HAN: Not at all?

OFFICER: No. Where did you get your information from?

HAN: We heard that Yao Fuxin had led workers into burning cars. Was there anything like that?

OFFICER: No.³⁰

The car-burning allegations were never mentioned at Yao Fuxin's trial. This smear tactic by the highest-ranking ACFTU officials is emblematic of the negative role played by the official unions during the protests.

An End to the Protests

At a four-hour trial, held in Liaoyang on January 15, 2003, Yao Fuxin and Xiao Yunliang were convicted of “subverting the political power of the state and overthrowing the socialist system” and “scheming to organize and incite members of the public.” (For a description of the events leading up to the trial and the courtroom proceedings, see sidebar, “Tried for Subversion.”) After serving almost his entire one-year sentence, Xiao emerged from prison with his health destroyed. Yao's ordeal in prison continues today. (For more on their imprisonment, see sidebar, “One Released, the Other Still Languishes.”)

The Ferroalloy workers remained defiant even after the trial, planning to stage more demonstrations in Beijing in March to mark the first anniversary of the Ferroalloy demonstrations. But Chinese officials had had enough. They rejected the workers' application for a rally permit, detained and questioned a leading organizer, and put other demonstration leaders under 24-hour surveillance. It was the final straw, and for all practical purposes the Ferroalloy protests were over.

Outside of China, however, the Ferroalloy workers were not forgotten. The one-year anniversary of the March 11 demonstrations also marked almost a year

of international efforts to pressure the Chinese government to release “the Liaoyang Four,” as they came to be known, and later just Yao Fuxin and Xiao Yunliang. These efforts used the standard channels: the International Confederation of Free Trade Unions, the United Nations Commission on Human Rights Working Group on Arbitrary Detentions, and the International Labor Organization. More than a dozen unions around the world also wrote letters to the Chinese government.

Beijing made no response to these appeals.

Conclusion: Protesting on Political Terms

The Ferroalloy workers organized demonstrations that were smaller and less militant than those in Daqing. They kept their actions lawful and held onto their faith in the Chinese system longer than one would have expected given so many broken promises and betrayals. Yet the regime seemed to fear the Ferroalloy workers more than other protesters, it seems clear, because the workers — and especially their leaders — framed their protest in political terms. Accordingly, Beijing set out to crush their leaders and destroy the basis for their independent union — and succeeded. But the ruthlessness of the reaction reflects the regime's perception that the Liaoyang workers posed a significant threat to their rule.

The Liaoyang Ferroalloy campaign was one of the most remarkable labor organizing initiatives of this period: it was unusually long; the organizers sustained clear goals, economic and political, and a core of 200 workers — led by women — refused to be silenced or intimidated when their leaders were imprisoned. This strong sense of loyalty and solidarity (*yi qi*) is said to be a trait among northern Chinese people. Whatever the reason for their bravery and steadfastness, the actions of the Liaoyang Ferroalloy workers attracted admiration and attention all over the world.

¹ The Workers Congress became a much-lauded institution by the Party-state. It was set up to allow workers to participate in “democratic management” within each medium-to-large-size SOE. Run by the plant union, the Workers Congress is a consultative body for employees and their representatives to put forward their views on many key decisions of their plant. Like many other official “democratic” institutions, the Workers Congress has not commanded much confidence among workers, as they see it largely as a controlled and orchestrated show run by management.

² Workers Congresses are run and managed by the ACFTU and its plant union bodies.

³ Philip Pan, “Three Chinese Workers: Jail, Betrayal and Fear — Government Stifles Labor Movement,” *Washington Post Foreign Service*, December 28, 2002: A1, <http://www.washingtonpost.com/ac2/wp-dyn?pagename=article&node=&contentId=A46243-2002Dec27¬Found=true>.

⁴ Ibid.

⁵ *China Labour Bulletin-Radio Free Asia* (CLB-RFA), “Workers’ Voices in Sichuan and Liaoyang,” March 19, 2002, http://www.china-labour.org.hk/iso/article.adp?article_id=2146.

⁶ Bo Xilai became the Minister of Commerce in 2004.

⁷ Voice of America Report on Liaoyang Workers’ Demonstration, March 12, 2002, http://www.china-labour.org.hk/iso/article.adp?article_id=2131.

⁸ Ibid.

⁹ Philip Pan, “Three Chinese Workers: Jail, Betrayal and Fear — Government Stifles Labor Movement,” *Washington Post Foreign Service*, December 28, 2002: A1, <http://www.washingtonpost.com/ac2/wp-dyn?pagename=article&node=&contentId=A46243-2002Dec27¬Found=true>.

¹⁰ CLB-RFA, March 18, 2002, http://www.china-labour.org.hk/iso/article.adp?article_id=2130.

¹¹ In the government indictment against him, Xiao was charged for communicating with Han Dongfang, who was described as a “hostile element.” The only time Xiao ever communicated with Han was in this telephone interview, when Han phoned Yao Fuxin’s family to find out the latest developments about the workers’ action. Xiao happened to be there and agreed to talk to Han.

¹² CLB-RFA, “Workers’ Voices in Sichuan and Liaoyang,” March 19, 2002, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=1679&item%5fid=1678>.

¹³ CLB-RFA, “Update on Liaoyang Workers’ Protests,” March 21, 2002, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=1805&item%5fid=1804>.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ CLB-RFA, March 22, 2002, <http://www.china-labour.org.hk/public/broadcast/list?year=2002&month=3>.

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Philip Pan, “Three Chinese Workers: Jail, Betrayal and Fear — Government Stifles Labor Movement,” *Washington Post Foreign Service*, December 28, 2002: A1, <http://www.washingtonpost.com/ac2/wp-dyn?pagename=article&node=&contentId=A46243-2002Dec27¬Found=true>.

²¹ CLB-RFA, May 10, 2002, <http://www.china-labour.org.hk/public/broadcast/list?year=2002&month=5>.

²² Holly Williams, “China Frees Labour Protest Leaders,” BBC, Beijing, December 24, 2002, <http://news.bbc.co.uk/1/hi/world/asia-pacific/2603103.stm>.

²³ CLB-RFA, “Interview with Liaoyang labour activist Wang Zhaoming,” December 27, 2002, <http://www.china-labour.org.hk/public/broadcast/list?year=2002&month=12>.

²⁴ Ibid.

²⁵ Philip Pan, “Three Chinese Workers: Jail, Betrayal and Fear — Government Stifles Labor Movement,” *Washington Post Foreign Service*, December 28, 2002: A1, <http://www.washingtonpost.com/ac2/wp-dyn?pagename=article&node=&contentId=A46243-2002Dec27¬Found=true>.

²⁶ CLB-RFA, December 31, 2002, <http://www.china-labour.org.hk/public/broadcast/list?year=2002&month=12>.

²⁷ The authorities also, at one point, accused Yao and Fu of “terrorism,” according to a CLB report, “The Liaoyang Protest Movement of 2002-03, and the Arrest, Trial and Sentencing of the Liaoyang Two,” July 2003.

²⁸ The relevant passage from the Chinese government’s response to the ILO reads in full as follows:

“[Para] 433: At this time, a worker at the Liaoyang City Rolling Mill, Yao Fuxin, and three workers at the Liaoyang City FAF, Pang Qingxiang, Xiao Yunliang and Wang Zhaoming, jointly carried out planned activities of terrorism and sabotage, severely threatening public security, disrupting public order and damaging public property. As they had broken the law, public security authorities summoned them for trial in accordance with the law, and applied forcible measures. In view of the fact that their behaviour violated the relevant provisions in the Criminal Law of the People’s Republic of China and the Law of the People’s Republic of China Governing Meetings, Parades and Demonstrations, on 27 March 2002 after approval by the Liaoyang City People’s Procurator, the public security authorities of Liaoyang City arrested Yao Fuxin and the other aforementioned persons in accordance with the law on charges of holding illegal meetings, parades and demonstrations. At present, records are being established to hear the case.” International Labour Office GB.286/11(Part I), 286th Session, Governing Body Geneva, March 2003; 330th Report of the Committee on Freedom of Association,” p. 107, <http://www.ilo.org/public/english/standards/reln/gb/docs/gb286/pdf/gb-11-p1.pdf>.

²⁹ CLB-RFA, “The Liaoyang Interviews: CLB Follows up Accusations of Violence against Yao Fuxin by ACFTU Leader,” November 12, 2002, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=2219&item%5fid=2218>.

³⁰ Ibid.

The Strike at Heavenly King: “Our Rights are Not for Sale”

Summary

ON SEPTEMBER 14, 2004, more than 6,000 workers of the Tianwang (literally, “Heavenly King”) Textile Group, Xianyang City, Shaanxi province, began a strike that was to last for seven weeks. The workers were protesting the unfair — and unlawful — proposals offered by the new owners as their factory was privatized. The strike ended, as did so many others, with leaders in detention and some demands met.

This sounds like a familiar story, and in many respects, the Heavenly King protest at Xianyang followed a common trajectory with other labor protests by state-owned enterprise (SOE) workers. Privatization, and a change in the ownership and management of the enterprise, triggered the protest. Deteriorating terms of employment, the regime’s broken promises to protect the workers, widespread corruption in the transfer process, and the underpricing of factory assets added fuel to the fire. These practices destroyed the livelihood of the Heavenly King workers and threw many into poverty.

This scenario has been repeated time after time in China.

But the Heavenly King strike displayed four exceptional characteristics: First, it lasted seven weeks — a very long time, given the terrible pressures brought to bear on the workers by the Chinese authorities. Second, most of the strikers were current employees rather than laid-off or retired workers and their protests focused on the violation of their rights and status — breach of contract and denial of their rights to the democratic consultation guaranteed by law during any privatization process. Third, the Heavenly King workers tried to use existing labor law to establish a factory union. Fourth, and finally, the striking workers were mostly women (although the leaders were men).

Another key aspect of the Heavenly King protest was the active role played by Han Dongfang and his

Hong Kong-based *China Labour Bulletin* (CLB). The CLB contacted the workers soon after the strike began and helped them develop a strategy to pursue collective bargaining lawfully.

The CLB provided legal information, organizing advice, and support. The CLB also made public inquiries about the case directly to the government. Their reporting allowed the foreign press to cover the story. Still, there is scant data and few interviews on the protests, so we have a limited understanding of how the workers actually organized the strike. The account in this chapter relies on the material gathered by the CLB and its representatives, who risked their freedom in an effort to help the strikers.¹

A Truly Bad Deal: Strike Background

In 2001, the Xianyang city government restructured a state-owned-enterprise called Xibei No. 7 Cotton Factory into a shareholding company called Heavenly King Textile. Management pressured all employees to purchase shares in the new company. Each worker had to buy RMB 4140 (\$500) worth of shares, cadres were expected to purchase RMB 8,280 (\$1,000), and senior cadres, to purchase RMB 16,560 (\$2,000).

In 2003, China’s officials announced a plan to sell more than 190,000 state-owned enterprises to private investors; only about 190 large enterprises would remain under state control. In early 2004, the privately-owned

China Resources Company of Hong Kong (CRC) acquired a 51 percent controlling share of Heaven King. (CRC changed the factory's name to the Xianyang China Resources [Huarun] Textile Factory, but for clarity, we'll use only Heavenly King in this chapter.)

The Heavenly King workers calculated that the factory was worth about RMB 339,480,000 (\$41 million), but CRC's valuation was only RMB 82,800,000 (\$10 million). When the city government accepted the CRC estimate, the workers immediately suspected that government officials were looting the factory's assets. To make matters worse, when the deal was about to go through, management ordered the workers to sell their shares back to the company at a 75 percent loss. In essence, the workers shouldered the financial burden of the company's drastic devaluation.

Faced with these disastrous developments, the workers resisted the factory's sale to CRC. For example, when Heavenly King's management called a legally mandated meeting of delegates to a plant-level "workers' congress" for a secret ballot vote on the deal, they were alarmed when anti-privatization sentiment appeared dominant. Even when management violated the legal protocols of the procedure by allowing only certain delegates to vote, and then with a public show of hands, many of their hand-picked delegates still voted against the sale.

Furious, managers then locked all the delegates inside a meeting room and would not let them leave until they approved the sale. According to workers' descriptions, the delegates gave in only after many hours "in custody." At that point, each delegate received about RMB 108 (\$13) in coupons as a reward.

Clearly unhappy with the election experience, which had been organized under the auspices of the official, government-controlled union All China Federation of Trade Unions (ACFTU), the new management abolished both the factory branch of the ACFTU



and the Communist Party Committee inside the plant.² These startling — and blatantly illegal — actions were an ominous sign that the new management felt it could act with impunity. Although neither the union nor the party was likely to have helped the workers, their elimination from the scene meant that even *pro forma* channels of protest were gone.

The Final Straw

As part of its structuring plan, CRC decided to lay off all Heavenly King employees, and to pay each one a single severance payment equal to one month's basic salary for each year of work. CRC also planned to rehire an unspecified number of the workers without regard to seniority. Furthermore, these rehired workers would 1) be paid substantially lower wages than they had earned prior to layoff; and 2) serve six-month "probation," during which they would be paid only 60 percent of their new, lower salary. And, finally, CRC would offer one- to three-year contracts, in flagrant violation of China's Labor Law, which guaranteed a permanent contract to anyone employed at a factory for more than

The workers viewed the probation period as a thinly disguised ploy to cut their wages still further and as an insult to their professional status. ... Worst of all from their point of view, the new owner refused to pay the premiums for their future pensions and medical insurance.

10 years. Most of the Heavenly King workers, in fact, had more than 10 years seniority.

WORKER: The main cause [of the strike] is related to CRC's [terms of re-employment]... You know workers' wages are already quite low, and all they want is to make ends meet. Six hundred, 700, 800 RMB [\$72, \$85, \$144] are okay, but once it goes lower than that, they can't survive with such low wages with all those deductions. I heard a worker saying that 100 to 200 RMB [\$12, \$24] were deducted from his salary. ... You see why the retired workers also joined the action.³

The workers viewed the probation period as a thinly disguised ploy to cut their wages still further and as an insult to their professional status. They also claimed that CRC had ignored a government requirement when it refused to pay them compensation for their change in status from state workers to private sector employees. Worst of all from their point of view, the new owner refused to pay the premiums for their future pensions and medical insurance.

These planned changes at Heavenly King had important implications for the entire city of Xianyang. Most factories in town were tied to the textile industry in one way or another, and most were slated to undergo similar restructurings soon. The Heavenly King fight was a test case for all Xianyang's workers, and a serious challenge to the city government.

CRC formally announced the new terms of employment in early September 2004. In response, the workers posted these questions on the factory gate:

1. How will the legally required compensation to state enterprise workers who become private enterprise employees be paid?
2. Who will be held responsible for the massive loss of public assets?
3. Who will safeguard the fundamental rights and interests of the workers?

4. Will the former wage levels of the rehired employees be protected?

5. Why is there unrest at the plant? Who should be held responsible?

Unsatisfied by CRC management's response, the workers called a strike to begin on September 14. They upped the ante by reaching out to Beijing to:

1. Request the central government to send an inspection team to review the terms of CRC's acquisition of the factory for financial impropriety.
2. Require new management to offer the workforce: 1) more equitable contracts with no probationary work period; 2) preservation of seniority status; 3) compensation for the loss of their SOE-employee status; and 4) continued payment of their pension and medical insurance premiums.
3. Hold CRC responsible for losses incurred during the suspension of production and for the workers' lost wages because the new contracts violated Chinese Labor and Trade Union Law.⁴

Rally at the Main Gate

The workers struck on September 14, as planned, and by the next day, they (most of them women) had set up an around-the-clock vigil, in rotating shifts of 200 strikers at the factory's main gate. After the police objected, they moved to the pedestrian walkways.

The strikers were exuberant: They hung banners from the factory gates; they chanted slogans all day. They sang the national anthem, the *Internationale*, and "The East Is Red" — "golden oldies" of the Maoist era — to boost morale and attract the public. They also sang the theme song of a popular television drama called "Plainclothes Police" to amuse, or tease, the police officers stationed at the scene.

WORKER: On the banners, we'd written, "Stop losing state assets," "Anti-corruption," "Protect workers' rights," "Give us the funds we worked hard for," "Love our factory and protect our families," and something like "Reform is the direction, and workers' settlement is a prerequisite." On the roadsides, there were also banners reading, "To solve the problem, please follow the road regulations." You could see the slogans all along the two sides of the road.⁵

On September 16, management posted a statement near the factory entrance to announce that it was withdrawing some of the objectionable clauses from the new contracts. But it was not enough: The workers did not stop the strike because many of their demands and questions remained unanswered.

A worker from a hospital subsidiary of Heavenly King told the CLB that the factory managers had called the police for help, but the police had not intervened after they saw that the workers were rallying peacefully. He described the scene on September 16 this way.

WORKER: I went to work at eight in the morning. The north and west gates were all filled with people. Renmin Road (site of factory gate) is fine today. It is not blocked. In the last few days, it was full of people, and the police blocked its two ends with police vehicles.

HAN DONGFANG: In total, with several huge work units, how many workers were involved?

WORKER: Oh, at least 5,000 to 6,000 workers from the work units were there, retirees counted the most. The whole Number 7 Factory [an older name for the Heavenly King factory] and its retirees together represent a big sum. More than 10,000 blocked the road yesterday.⁶

On September 18, the Shaanxi provincial government sent a task force to the Heavenly King factory to mediate, with no success.

The China Labour Bulletin Steps In

About a week into the strike, a CLB staff member traveled to Xianyang to contact the textile workers and to gather information about the strike. When the police saw him speaking with workers outside the factory, they detained him for questioning, but he managed to extricate himself without a major incident. Later, from a neighboring city, he arranged a meeting with several of the strike leaders, to help them plan strategies using China's own labor laws. The strikers were feeling the pressure. The onset of winter was just a few weeks away; family savings

were fast running out; and the workers thought they would have to call off the strike soon.

After discussing the options, the strikers agreed that the best way forward was to try to form a factory-level union — a branch of the ACFTU. The rationale was straightforward: strike leaders in China usually got arrested, but elected union officials, in theory, enjoyed many legal protections. The factory had no union, and so the workers assumed that they had the legal right to form one. In fact, it was a serious challenge to the regime's authority and the *status quo*.

Following the Trade Union Law to the letter, the strike leaders organized the factory workers to create the shop-level committees needed to elect a provisional trade union body. The provisional group would oversee a factory-wide election to establish the permanent trade union branch. Han Dongfang provided information on these legal steps and details on the various legal rights and protections afforded to Chinese workers. The CLB urged the workers to ask the government-controlled General Trade Union of Xianyang to approve their union-organizing initiative and also to represent the workers in negotiations.

On the eve of the shop-level preparatory elections, the workers urgently asked CLB for on-site legal representation and advice. The CLB arranged for a prominent Beijing lawyer to fly to Xianyang, but he was jailed upon arrival. The police told him that it was "forbidden to provide legal advice to Chinese workers" and threatened to charge him with "endangering state security" — a grave criminal offense in China — if he didn't abandon his mission. The lawyer was released three days later after he finally agreed to "voluntarily withdraw" from the case. Meanwhile, the Heavenly King strike continued.

While the workers struggled to form an ACFTU union, the ACFTU itself was working to undermine the effort. Shortly after the strike began, ACFTU officials told reporters that they had no plans to negotiate on behalf of the workers and that they were waiting for instructions from higher authorities. One official claimed that he didn't know whether or not a union still existed in the factory.

In early October, after learning that the Heavenly King workers were organizing an ACFTU branch, city authorities stepped in. They quickly announced that the General Trade Union of Xianyang had already

Tieshu Textile Factory: An Odyssey through the Courts

On January 2, 2003, almost one thousand retired workers in Suizhou city, in central China's Hubei province—many of them quite elderly—blocked a main railway line for two hours, until police finally drove them away. So began more than a year of protest marches and demonstrations, and almost two years of lawsuits, organized by workers of the state-owned Tieshu Textile factory.

The Tieshu factory went bankrupt in early 2003 and shut down altogether eight months later. The bankruptcy hit the workers in two phases: first, retired workers lost their benefits and, second, when the factory closed, the younger workers lost their jobs. Although the Tieshu workers were not fighting privatization, they had many of the same grievances as the Heavenly King textile workers: they had been coerced into buying company shares which were ultimately declared worthless; the company failed to pay pension and insurance premiums so those benefits were lost; the workers suspected corruption and collusion involving party, government and company officials; and, not surprisingly, the city government and company refused to negotiate in good faith.

By April 2003, after months of fruitless public protest, the retired workers were frustrated and desperate. They decided to change course and pursue a legal strategy.

The retirees chose to sue the factory's Bankruptcy Investigation Unit for violation of their rights. They asked the Suizhou Labor Dispute Arbitration Committee to hear the case. The committee refused. Subsequently, the workers asked the Suizhou City Intermediate People's Court, and, then, the Hubei

Provincial High People's Court to hear the case. Both courts refused.

At that point, some of the workers resolved to approach China's Supreme People's Court in Beijing. On July 14, 2003, they posted a statement about the case on a wall in a workers' neighborhood:

... Under the sky of Hubei Province, there is no way to complain, and there is nowhere to appeal. ... we will appeal to the Supreme Court of the People's Republic of China and report to the Standing Committee of the National People's Congress, demanding legal supervision without the interference of the administration so that the lawful rights of the elderly can be [protected].

The appeal to the Supreme Court appeared to work. In July, the Court ruled that the Hubei High People's Court must take the case. On August 1st, the Hubei High Court ruled that the Suizhou City Intermediate People's Court should reopen the case. And on August 4th, the Suizhou Court promptly demanded RMB 5,175 (\$625) in legal fees—a sum completely out of the reach of the Tieshu workers. They were stymied, and the protests continued.

In September, 2003, soon after the legal strategy collapsed, the younger Tieshu workers, who had remained employed through the bankruptcy period, finally lost their jobs. They joined the street protests, injecting renewed energy to the campaign. The authorities reacted ruthlessly. The Public Security Bureau (PSB)—China's political police—took over the operation. During the months of protests that followed the court defeat, the PSB attacked protesters on the

street, tracked them down at home, and, finally, imprisoned nine of them in February 2004.

In March 2004, Han Dongfang and the China Labour Bulletin (CLB) enlisted a Beijing law firm to defend the nine workers. This marked the first time the CLB played an active role in a labor struggle, and it marked the start of CLB's "case intervention program," which provides advice and direct assistance to workers. With the help of CLB's law firm, seven of the nine Tieshu prisoners were free by late June. The eighth, a former member of the People's Liberation Army, served out his one-year prison term. The ninth spent about ten months in "reeducation labor" until she fell ill and was released.

The story of the Tieshu workers contains one final legal twist: in April 2004, about 1,000 workers filed suit against the Suizhou City Social Insurance Bureau for "administrative negligence." The workers alleged that the government bureau failed to intervene when the Tieshu Textile Company stopped paying the workers' pensions, which is illegal. It was extremely unusual for such a large number of workers to sue a local government, not a company, for failing to carry out its oversight duties. A local lawyer agreed to take the case, and each worker reportedly contributed thirty to fifty yuan (\$3.60 to \$6.00) to cover the legal expenses.

In the end, despite their tenacity and determination, the Tieshu workers did not prevail. And yet, the struggle was far from fruitless. Their pursuit of rights through the judicial system—a "rights defense movement" (wei quan yun dong)—became a strategy that other labor activists in China adopted and which workers continue to use.

appointed a “trade union organizing committee” at the factory and that the parent union had approved it. Frustrated workers lodged a protest, noting they had not elected this government-imposed body.

Their protest was futile. The creation of the ACFTU unit by city officials spelled the end of grassroots union organizing at Heavenly King: The workers were instructed to halt their activities immediately.

Carrots and Sticks

While peaceful organizing ended, some frustrated strikers concluded they had only one option left: militant action. Every night, starting in late October, groups of workers went to the housing complex where Heavenly King managers lived to denounce the company’s across-the-board corruption and malfeasance. Some of the protesters threw stones and smashed windows. As many of the strike leaders had feared, violence provided a pretext for a crackdown. During the last week of October, the police jailed 20 strike activists.

The government imposed a news blackout on the Heavenly King strike. On October 20, 2004, however, a special Shaanxi provincial government task force appeared on local television to order the strikers back to work immediately. The same day, other members of the taskforce went to the factory’s main gate to deliver the message directly to the 200 workers who were maintaining the 24-hour picket. Meanwhile, the police detained several Chinese journalists who were trying to report on the strike and confiscated their film.

True to the carrot-and-stick formula, while the police rounded up activists, the CRC management reportedly made several concessions: First, contracts for the rehired workers would be longer than three years; second, management would drop the six-month probationary work period; and third, it would also drop the wage reductions.

With their leaders in jail, and after winning most of their most important demands, the strikers — about 3,000 strong and mostly those who had been with Heavenly King for more than 10 years — accepted the company’s severance payment. Some 2,000 other workers eventually got new jobs at the privatized company. The remainder of the original workforce was transferred to other local enterprises, including schools run by Heavenly King’s former management. On November 1, 2004, the workers ended their seven-week strike.

In a final, unusual — and gratifying — gesture, the authorities released the 20 or so imprisoned strike leaders by early 2005 without ever formally charging them. The government did bring to trial and convict five other workers for having contact with unnamed “foreign subversive elements,” but they received suspended sentences and were released.

One of the imprisoned workers recalled that China’s Minister of Public Security (the nation’s top police officer) Zhou Yongkang, visited the city of Xianyang at end of October to speak about the need “to properly resolve internal conflicts among the people in order to build up a harmonious and stable society.” The workers believed that this stance, enunciated by a top-ranking official from the central government, determined the relatively lenient treatment of the prisoners.

Conclusion: A Model for Other Workers

The seven-week strike may well have been the longest in China’s recent history and perhaps even the longest since 1949. But the struggle’s greatest and unique significance was political: a campaign for collective bargaining rights conducted within the limits set by China’s existing Labor Law and Trade Union Law. Linked to this was the major role played by the *China Labour Bulletin*. The CLB provided information about laws and advice about how to use them in a well-thought-out, peaceful strategy to build an independent union.

In addition, while men took the leadership role in the Heavenly King textile workers’ strike, women provided the backbone — the determined and organized force that kept 200 workers picketing at the factory 24 hours a day for seven weeks.

And finally, although the attempt to build a union and bargain collectively failed, the fact that the workers won most of their economic demands while the imprisoned activists were released in a matter of months is significant. The Heavenly King textile workers’ strike provided a model for other workers, as they struggled for collective bargaining while avoiding the harshest punishments.

[EDITOR’S NOTE: The new Labor Contract Law, which became effective January 1, 2008, appears to open the door to factory-level collective bargaining by elected workers’ representatives, though it was too early, as this publication was completed, to determine the commitment of the government actually to implement the law. Failure to implement existing laws is a chronic problem in China.]

¹ *China Labour Bulletin* (CLB), “The Xianyang Textile Workers Strike: A CLB Case Intervention,” September 26, 2005, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=17461&item%5fid=17445>.

² CLB, “Thousands of Textile Factory Workers Enter 4th Week of Strike in Xianyang City Against Unfair Contracts Imposed after Buy-out by Hong Kong Conglomerate,” October 7, 2004, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=18592&item%5fid=3796>.

³ CLB, “Change for Nothing: China Resources (Holdings) Co. Ltd’s Purchase in Xianyang, Shaanxi (II),” September 16, 2004, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=17318&item%5fid=3808>. CLB, also from: http://www.china-labour.org.hk/iso/article.adp?article_id=5869.

⁴ CLB, “Thousands of Textile Factory Workers Enter 4th Week of Strike in Xianyang City Against Unfair Contracts Imposed after Buy-out by Hong Kong Conglomerate,” October 7, 2004. <http://www.china-labour.org.hk/public/contents/article?revision%5fid=18592&item%5fid=3796>.

⁵ CLB, “Change for Nothing: China Resources (Holdings) Co. Ltd’s Purchase in Xianyang, Shaanxi (II),” September 16, 2004, also from: http://www.china-labour.org.hk/iso/article.adp?article_id=5869 <http://www.china-labour.org.hk/public/contents/article?revision%5fid=17318&item%5fid=3808>.

⁶ CLB, “Change for Nothing: China Resources (Holdings) Co. Ltd’s Purchase in Xianyang, Shaanxi (II),” September 16 2004, CLB, also at: http://www.china-labour.org.hk/iso/article.adp?article_id=5869 Ibid.

Ex-Soldiers Up in Arms

If it's going to be "all assets and profits belong to the entrepreneurs," ... [w]hy did we need the revolution by the Communist Party sacrificing millions of lives?

FROM AN OPEN LETTER TO THE WORKERS OF CHONGQING FACTORY 3403¹

Summary

AFTER THE COMMUNISTS TOOK POWER in China in 1949, their army — the People's Liberation Army (PLA) — kept an influential position in the party-state hierarchy and enjoyed great prestige in society. In the official ideology, PLA soldiers were called the “best sons and brothers of the people” (*renmin zidi bing*). In addition to economic rewards and social privileges, the government gave PLA officers an especially intense political indoctrination. Most officers became Communist Party members, and many became cadres. When soldiers were demobilized from the PLA, they usually got desirable jobs in state-owned enterprises (SOEs), and they fully expected to live worry-free after they retired.

In addition to its military duties, the PLA actually owned and managed many factories which employed both demobilized soldiers and non-PLA workers. Although many of these enterprises produced military equipment, as many as 80 percent of PLA businesses were in strictly civilian industries: from construction to automobiles, from foodstuffs to hotels.² As Chinese industry began to restructure, the PLA factories were not immune to the traumatic consequences, and, just like workers throughout the country, the PLA workers pushed back.

This chapter focuses on four different episodes involving PLA-owned factories and the strategies chosen by soldiers-turned-workers to protect their jobs. In all four cases, the former soldiers showed greater militancy than most other workers. Their ideological training gave their protests an explicit and assertive political edge. They instinctively attacked the party-state for betraying the socialist principles and responsibilities that they had been taught — and had absorbed so well — as soldiers.

From the government's perspective, these ex-soldiers remembered their political training altogether too well: when they attacked the authorities for betraying China's official ideology, they threatened the legitimacy of the party-state. Thus, the authorities often cracked down on the ex-soldiers ferociously.

Unfortunately, reporters had even less direct access to protesters than usual during these four PLA worker campaigns. As a result, we have fewer interviews to draw on and a less detailed picture of what the workers experienced day-to-day. In some cases, we don't know how the protests ended. Still, what emerges is a picture of confrontations with a strong ideological undercurrent and some surprising outcomes. Below is a brief summary of each episode, followed by a discussion of each.

1. PLA Factory 3403, city of Chongqing, Sichuan Province

On August 18, 2004, several hundred workers set up picket lines outside this factory, which produced

military vehicles, to challenge the unfair and illegal terms for the company's sale to private owners. The protest soon escalated into a 12-day plant occupation which ended only when a thousand military police stormed the factory. This struggle stands out among so many because of the open letter written by the disillusioned workers to the Central Committee of the Chinese Communist Party after the factory occupation ended. In terms which reflected their sophisticated ideological training, the ex-PLA cadres expressed deep bitterness at the contradiction between the government's rhetoric about socialist ideals and its concrete actions.

2. The Tongda Chemical Factory, city of Dazhou, Sichuan Province

In August 2004, Tongda workers took to the streets to protest the actions of corrupt factory managers and government officials who had restructured the company for their private enrichment. When street protests failed to bring the authorities to the bargaining table, the workers tried to take over the government-controlled union, reasoning that if they rebuilt the union through democratic elections, they could use it as a legal instrument to pursue their goals. Although they weren't the first to try this strategy, theirs was an unusually sophisticated approach. For the Tongda workers, it looked like their only remaining option.

3. Four PLA construction companies, city of Shenzhen, Guangdong Province

In 1982, Deng Xiaoping's government dispatched 20,000 PLA construction and engineering officers to transform the fishing town of Shenzhen into China's first Special Economic Zone — a free-market enclave open to foreign investors and private enterprise. The demobilized soldiers literally built a booming metropolis of skyscrapers and factories whose population grew to four million people — the epicenter of China's economic expansion. But 20 years later, the government privatized four PLA construction companies, laid off more than 5,000 workers, and denied them their promised benefits. In November 2005, while the workers' representatives were trying to negotiate with city officials, the police hunted down activists and violently broke up demonstrations. This struggle in

Shenzhen highlighted a cruel paradox: after building the ultramodern city that turned China's new economic policy into a reality, the workers were cast aside.

4. PLA Factory 354, city of Chengdu, Sichuan Province

In January 2006, PLA "Factory 354" workers began a protest against the Chengdu government's plan to auction off their bankrupt plant. They sent representatives to city officials with two proposals: the workers would buy the plant; or the plant would merge with other state-owned-enterprises. That same day, 5,000 protesters reportedly compelled company managers and local officials to remain inside the plant, in order to force a response to their proposals. The resulting police crackdown was particularly brutal, but the struggle stands out because the workers won. On January 21, 2006, the government canceled the auction and announced that the factory would be merged with other SOEs.

Memo to: the Central Committee From: the Workers of Chongqing

When restructuring began in August 2003, PLA Factory 3403 in Chongqing employed about 3,000 workers who produced military vehicles. The restructuring process followed a familiar pattern: Management declared the factory bankrupt; the reorganized company was renamed; a price was set; and the factory was put on the market. As so often happened, the government approved a price that was about one-tenth of what the workers believed the factory was worth.

In this case, however, rather than resorting to protest and appeals, the 3,403 workers first offered to buy the factory for *more* than the government's asking price, with plans to run it as a "democratic collective."

The government refused the offer and refused to discuss the workers' many grievances. As a result, on August 18, 2004, several hundred angry protesters occupied and shut down the factory. The occupation ended 12 days later, at 4 o'clock in the morning, when more than a thousand military police stormed both the factory and the workers' living quarters. The confrontation was violent. Witnesses reported that the police beat one young worker who then disappeared.

The mother of another worker suffered a broken arm, and at least two workers were hauled off to jail, allegedly for assaulting the police.

The stage was set for the workers' next step: a letter aimed directly at the Central Committee of the Communist Party. In highly charged political language, the letter accused China's leaders of turning their backs on the foundational principles of the communist state. It posed the question, "What is the difference between present-day China under the rule of the Communist Party [CPC] and China before the 1949 revolution?" It referred to the grassroots revolts in Chinese history which toppled once-mighty dynasties. It pointedly reminded the Chinese leaders of a recent and profoundly unnerving precedent — the collapse of Communist Party rule in the Soviet Union. It was an ideologically fluent and threatening attack on the ruling party's new economic policy. The letter ends with a battle cry. It was posted around the workers' living quarters.

**AN OPEN LETTER FROM THE WORKERS OF
CHONGQING FACTORY 3403 TO THE 4TH CENTRAL
COMMITTEE CONGRESS OF THE 16TH CONGRESS OF
THE CPC:**

We, the 3,000 workers at the PLA Chongqing Factory 3403, have for several decades given all our hard labor to our job. We have given our blood, sweat, and youth to our country and its people. Now, in the vicious waves of privatization of SOEs, we are thrown into the army of the unemployed and are hanging on the edge between life and death. ...

China today is still under the rule of the Communist Party. The Constitution of the People's Republic of China [PRC] solemnly states that under socialism, public assets are sacred and not to be violated. But why are there blatantly unlawful acts of privatizing and swallowing up state assets and endangering the life of workers by pushing them into [the ranks of] the unemployed? We, the 3,000 workers, don't want to be starved to death just like this. ...

... Factories like ours, which have been privatized and sold into the gutter, can be found everywhere in the entire country. Why is such behavior, which violates justice, reason, and conscience, spreading everywhere?

China is the world's most populous country. It is most important that 1.3 billion people get fed. Rulers in numerous dynasties during the last several thousand years did not solve this problem. In our history, countless revolutions have been sparked by people driven by hunger and cold, and [these revolts] have led to the endless changes in dynasties and downfall of ruling crowns. In the 20 years of reform and open-

ing [to the world economy], "Efficiency is our priority, fairness is our concern" has produced a bad outcome, which is "Robbing is our priority, fairness is not our concern." Not only are the people not all fed, worse, the privatization reform has driven workers of SOEs and collective-owned enterprises (COEs) into the misery of unemployment and stripped [them] of [the] means of livelihood. Our GDP claims to rise steadily every year, but unemployment has grown even more. The ordinary people's lives have gone from bad to worse, but the rich and powerful have gotten ever richer. ...

... Anyone will raise this question: if it's going to be "all assets and profits belong to the entrepreneurs," wasn't China run like this before 1949? Why did we need the revolution by the Communist Party sacrificing millions of lives? ...

The former Soviet Union's Communist Party was finished because it no longer represented the interests of the people. It was abandoned by the people ... If China pursues the path of the former Soviet Union, people in China will resent the ruling Communist Party. ...

The most fundamental interest of people is to live. The prerequisite of living is employment. All our state-owned and collectively-owned enterprises are being turned into the private properties of plant owners, and everywhere workers have lost their jobs. Does this amount to representing the most fundamental interests of the people and ruling the country for the people?

We common folks do not understand deep and high-sounding theory. But we understand that communist means "collective ownership of property." As long as the Communist Party of China [*Gong Can Dang*] does not change its name to the Private Property Party [*Si Can Dang*], we still have hopes. We people still hope that our Communist Party will rescue people from the danger of "deep fire and water." We strongly demand that the Party Central [Committee] listen to the voices of the grassroots people in society and see the pains and sufferings of these grassroots people. The Party needs to understand the real situation in society, which has been covered up and whitewashed, and make policy decisions to stop and reverse the privatization of SOEs and COEs. The corrupt criminals who committed this crime should be brought to justice. Only this will ensure decent living for the vast majority of people and dissolve the factors of instability. Only this will reconcile the social contradictions and the incessant labor protests and the peasant movement. Only this will help to sustain a long and stable rule without facing the outbreak of a big social crisis.

We want to live our lives. When we can't live, then we will fight with our lives.

— FROM 3,000 ORDINARY WORKERS³

We do not know which Factory 3403 workers composed this powerful letter or what has happened since

the letter was posted publicly. But there's no doubt that it expressed the deepest sentiments of millions of workers across the nation.

Take Back the Tongda Union

In 2002, the workers at the Tongda Chemical Factory in the city of Dazhou suspected there was corruption at the highest levels of authority. They accused local government officials of accepting bribes in exchange for overlooking the theft of nearly 200 tons of explosives — a loss discovered by independent auditors. The workers didn't stop with the government officials. They also produced a written *exposé* describing how the factory's management had embezzled construction funds.

They took their findings, first, to the district party's disciplinary committee, then up to the city party's disciplinary committee, on to the city government and the city prosecutor, and finally to higher-level provincial authorities. There was no response. More than 100 workers then went in person to the city party's disciplinary committee to present their written *exposé* — signed with their hand prints! This tactic demonstrated both their determination and a sensible appreciation of the dangers they faced if they signed their names. Deeply impressed by this protest, the authorities fired the factory director, but the funds remained unaccounted for. The workers remained alert — and suspicious.

Two years later, in August 2004, city officials announced that they were restructuring the chemical company: a management group—including officials of the government-controlled All China Federation of Trade Unions (ACFTU)—would own 70 percent of the shares in the privatized factory. The workers were outraged. They believed that the same people who stole from the factory would become its new owners. So the workers made a counterproposal: turn Tongda Chemical into a worker-owned cooperative. The workers also asserted that the authorities had grossly undervalued the factory at RMB 2 million (\$241,545) to the benefit of the new owners

TONGDA WORKER: We elected five representatives. We said, "Our state assets were disappearing." We refused to agree that these people could buy our factory for just RMB 2 million [\$241,545]. They [management] said the assets had not disappeared and had been properly valued. We said, "[If] you offer to

pay only RMB 2 million [\$241,545], we can offer to pay RMB 20 million [\$2,415,450]. We can solve all the problems identified by the workers. The shares should be held by all our workers, and we should hold the shares collectively." But they said, "No, you can't. There's no such regulation. The shareholders [positions] can be taken only by several dozen people. The deputy secretary of the city party committee and the deputy director of the city government finance bureau had given the answer to that: Only the management group could hold the shares, not everybody. Shareholding by everyone runs counter to the spirit of the national reform documents.

HAN DONGFANG: Did he provide any references?

WORKER: His reference was Document No. 34 issued by the district [authorities]. ... This Document No. 34 says, "Restructuring does not allow shareholding by all the people. ... we won't allow "eating from the big rice pot."

For several days starting on August 26, 2004, hundreds of Tongda Chemical workers converged on the office of the Dazhou government, hoping to negotiate a new restructuring plan. The government talked to some workers but refused to make any concessions. Faced with a deadlock, more and more workers lost heart. Some 300 agreed to sign contracts and to start working under the new management.⁴

At the same time, about 100 workers refused to give up. Instead, they embarked on a rarely used strategy: they started organizing workers in a campaign to take over the factory branch of the ACFTU. On September 6, 2004, the dissident workers issued an appeal to all Tongda employees. In it, they urged workers and union members to oust the current union chair and revoke the decision of the previous workers' congress to approve the restructuring plan.

The organizers of the appeal reasoned that the legitimate channel for pursuing their demands was the factory union. Most Chinese workers wouldn't have considered this course: in their experience, government-controlled unions never defended workers unless the government actually told them to do so. But for the Tongda activists, taking over the union looked like their last, best hope.

AN APPEAL TO THE MEMBERS OF THE UNION AND THE WORKER COMRADES OF THE ENTIRE WORKFORCE OF THE SICHUAN TONGDA CHEMICAL FACTORY:

In the last six months, the difficult path we have tried to take by petitioning the city party committee and city government about the restructuring of our plant is all too apparent to us, and we don't need to revisit

it in detail. Now, as members of the Chinese working class, for the sake of carrying out the spirit of enterprise reform as directed by the State Council, for the success of restructuring our chemical factory, each one of us has given hard work, blood, and tears to build a well-run, new model of an enterprise. We should voluntarily acquire our own shares in the factory and become true shareholders of the factory. This is our true wish and aim.

Therefore, we call on you to revoke and challenge the restructuring plan which was approved by only a small minority of managerial personnel who had appropriated shares in the factory. That restructuring plan was pushed through in an extremely unlawful and improper way by a “restructuring working group” created by the so-called Economic and Trade Committee [of the local government]. ...

... We urge workers of the entire plant and members of the union, for the purpose of defending our lawful rights and interests, to demand forcefully the removal of the chairman of the union and the workers’ congress, Shi Tianquan. Members could elect a new union. This new union would organize the new workers’ congress and elect new workers’ representatives. Only then could our workers’ representatives deliberate on and approve our factory restructuring plan. Only such a process could ensure a lawfully approved plan. We urge you, by your own will, to put your name and stamps on this appeal so that it can be sent to the city union for processing.⁵

The dissident workers charged that the factory director had always chosen the union chair himself, and, contrary to legal requirements, no general meeting to elect union representatives or a workers’ congress had been held for more than eight years. (Of course, this was how the official factory unions normally operated in China.) The Tongda workers noted they had reported these facts to higher authorities but had never received a response. (They attributed the lack of response to the fact that the union chair, who was also the deputy secretary of the Dazhou party committee, was the nephew of a high-ranking official in the central government in Beijing.)

WORKER: We made that [complaint against the union] two years ago. Our workers said, “The union chair, not only did he not speak out for the workers, but he actually told workers off and beat them up!” We wrote a complaint report and demanded the removal of this union chair and sent it to the highest union apparatus in Dazhou city — the district union and the city union. But it sank like a rock to the bottom of the ocean. [We] never heard anything back.⁶

The organizers of the appeal needed half of the factory’s employees to have a legal quorum for a workers’

congress. Denied access to a meeting room, they held the gathering in an open courtyard in the workers’ living quarters.

Despite the organizers’ impressive courage and determination, the meeting was a failure. The dissidents could not convince enough workers that they, not factory directors, had the legal authority to convene a workers’ congress. To make matters worse, on the evening of the meeting, it was pouring rain, and too few workers ventured out.

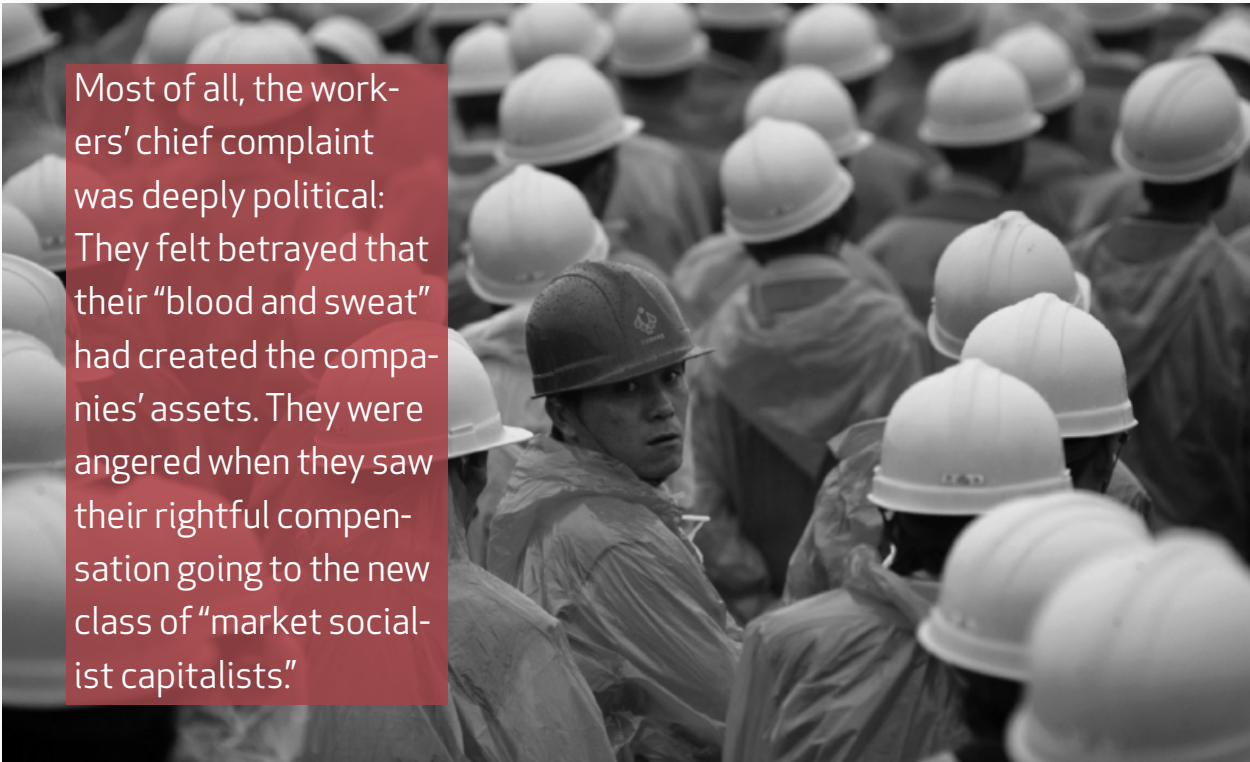
The ex-soldiers of Tongda had lost the battle, but their innovative strategy and tactics created a useful model for other workers.

After Building the City of Shenzhen

Shenzhen symbolizes China’s astronomical accumulation of wealth in the last decade and the nation’s new position of power in the global economy. But there is a deep shadow on Shenzhen’s accomplishment. In the fall of 2005, more than 5,000 of the very workers who had built the city — who had transformed the coastal fishing town on the border with Hong Kong into an imposing metropolis of skyscrapers, factories, and housing for four million people — staged a bitter two-month strike to protest the loss of their jobs and broken promises. This struggle of thousands of desperate workers in the very heart of China’s new economy ended with a violent crackdown by the police. It received extensive media coverage, most of it outside the mainland.

When Premier Deng Xiaoping announced in 1980 that China would embrace “market socialism,” Shenzhen was designated as the country’s first Special Economic Zone — a free-market district for foreign investment and international trade. Beginning in 1982, more than 20,000 PLA construction and engineering officers were dispatched to Shenzhen and given posts in PLA construction companies. The companies included Shenzhen City Construction, Jinzhong Construction, Yuezhong Construction, and Tehao Construction.

By early 2005, these companies were set for privatization. More than 10,000 workers — at least half the workforce — were laid off. Each demobilized soldier employed for 20 years by the companies was promised a severance payment of RMB 414,000 (\$50,000), as required by law. But the severance payment was cut to between RMB 103,500 (\$12,500) and RMB 212,000



Most of all, the workers' chief complaint was deeply political: They felt betrayed that their "blood and sweat" had created the companies' assets. They were angered when they saw their rightful compensation going to the new class of "market socialist capitalists."

(\$25,000), and pensions and insurance drastically reduced. The workers took their grievances to the government: they alleged embezzlement, other kinds of corruption, and a sub-market selling price. They also pointed out that the new owners had family connections to various government officials.

Although they blamed corruption and collusion for their drastically cut severance, most of all, the workers' chief complaint was deeply political: They felt betrayed that their "blood and sweat" had created the companies' assets. They had taken lower-paying jobs in the belief that this project would contribute to the public good, and in return they had been told that they could expect their basic livelihoods to be protected through retirement. The workers were shocked and angered when they saw their rightful compensation for 20 or more years of labor going to the new class of "market socialist capitalists."

Starting in August 2005, the workers engaged in an apparently fruitless attempt to draw the local authorities into peaceful negotiations. The Hong Kong press reported that on October 25, furious, frustrated workers held a company deputy director hostage until the police demanded his release.

In early November 2005, the workers sent 500 representatives to meet with the deputy mayor at the

Shenzhen City government offices.⁷ Meanwhile, on November 3 and 4, several thousand police officers reportedly broke into the workers' living quarters looking for protest leaders. They arrested four organizers, two of whom were released. Two others — a husband and wife — stayed behind bars.

In response to the police searches and arrests, several thousand workers rallied in the streets of Shenzhen for three days, starting on November 5. They blocked traffic for several hours each day on Shennan Road — one of the main streets leading to the border control checkpoint with Hong Kong. They marched to the offices of their local street committee and to the Honey Lake police station to demand release of their representatives. Some protesters tried to smash the windows of police cars and the police station. Fighting broke out between the protesters and the police and lasted until a large number of officers managed to disperse the crowd.

Finally, on the evening of November 7, Shenzhen's mayor met with workers and company managers at a school in the Futian district and promised to set up a task force to settle the conflict. When the mayor left the meeting, some protesters reportedly tried to block his exit.⁸ In that unruly situation, police seized several reporters from Hong Kong and held them overnight.⁹

According to reports in the Hong Kong press, the government planned to charge the husband-and-wife protesters with disturbing public order and plotting to poison the Shenzhen Reservoir. During their interrogation, the police reportedly offered them RMB 621,000 (\$75,000) for detailed information about their organization and its planned activities. They refused. Since that time, no one knows what has happened to the couple, whose only child was nine years old at the time of their arrest.

Success in Chengdu

In September 2005, the management of PLA Factory 354, which employed 10,000 workers and produced automobile parts in the city of Chengdu in Sichuan Province, formally announced for the first time that the company was bankrupt and would be auctioned off to a private buyer. According to the workers, the factory was actually going to be sold “under the table” to a private cleaning firm called the Zhidong Company for the much undervalued sum of RMB 41,400,000 (\$5 million).

RETIRED WORKER: Jianghua [Factory 354] was only announced bankrupt by the [government] Working Group on September 6. But a report was already released by the Zhidong Company on August 12 that it had bought Jianghua, claiming “strong support from the various government authorities.” Why must our factory be sold to Zhidong? The sale should be held at a public auction. Why was only one buyer allowed to bid exclusively?

To stop the sale, the workers tried to raise money to buy the company themselves prior to the auction. But the plant director, they claimed, blocked them.

FACTORY 354 CADRE: Before the compensation [severance pay] was paid, the workers didn’t have enough money to buy [the factory] and take part in the auction. He just blocked the path.

The auction was set for January 2006. Early in the month, the irate workers began picketing at the factory. On January 16, they chose a group of representatives to try to negotiate with the local authorities: They proposed again that the workers buy the factory or that it be merged with an associated state enterprise. Meanwhile, 5,000 protesters at the factory demanded to talk to the plant director. The director eluded the workers by climbing over the factory’s fence, and then disap-

pearing into the surrounding neighborhood. Undeterred, the protesters reportedly decided to hold the other managers and local officials at the factory until they received a response to their proposals.

On January 18, local government officials announced that the auction would be suspended for the time being, and the workers ended the protest. But as they dispersed, more than a thousand police officers descended on them. There was a violent confrontation which ended with workers being injured and arrested.

WORKER: Everybody from the factory went, old and young. We asked that our factory not be sold to private buyers. There were at least 5,000 to 6,000 of us. We all went [to the picket line at the factory]. Around 5 or 6 p.m., the factory leaders had a meeting with us and said the problem had been solved and asked us to go home, which we did. There were about a dozen or more people left at the factory.

Then the anti-riot police arrived and took several people back to the police station. Some students from Chengdu University told us that they saw a teenage girl taken by the police and beaten up. When we heard that, we were mad. We all went to the police to ask them to release our people. But without blinking an eye, the police just beat up everybody around them. They beat up the old and the children. Whoever couldn’t run away was picked up and beaten to hell. A 70-year-old was among those beaten with that “wolf teeth” type of baton.

The workers reported that local journalists were among the injured.

WORKER: At the beginning [of the confrontation with police], we asked the journalists to stay at the front. Who would have thought that they [the police] would even beat up the reporters? Over 50 workers were injured, very badly. Some of them lost consciousness. There were also people missing, and their families were desperately looking everywhere for them.

This worker also spoke about injured workers who had to be hospitalized but remained under police custody. Their family members were not allowed to visit them. Among the detainees was a woman, Tang Ling, who was injured during the police crackdown. On January 21, Tang’s sister was informed by the Public Security Bureau, China’s political police, that her sister was in jail, along with three other workers. She was not allowed to visit Tang Ling.

TANG’S SISTER: I sent a change of clothes to [Tang Ling]. They won’t let me see her. They said [she] would receive some kind of “education.”

In 1998, the former soldiers still expected the authorities to respect the law and implement the protections for workers written into the Chinese constitution. By 2004, however, many former soldiers understood that the rules no longer applied.

The authorities deployed a large number of plain-clothes police officers to the factory for the next several days to stop any “disturbances.”

Factory 354 was under the authority of the Commission of Science, Technology, and Industry for National Defense. On January 21, just three days after the confrontation, senior managers and officials of the city government announced that the auction of the factory would be called off. Instead, the company would be restructured and merged with other SOEs. Although restructuring and mergers usually meant that many employees would lose their jobs and benefits, the workers of Factory 354 stated that they felt much better because they had stopped the privatization of the company.

FACTORY CADRE: We do feel better that it’s not going to be sold to private owners. The private owners were definitely going to turn this plant into real estate and put money into their own pockets. We’d all lose our rice bowls. That little amount of money [the severance compensation] will be used up soon. Under restructuring, we can still get our jobs back at our doorsteps. Many of us have spent our whole lives here.

From the limited information now available, it’s not possible to explain why the workers of Factory 354 won their struggle while so many others failed. But if the promised merger holds, it will mean that the protests in Chengdu were one of the few success stories for state-owned enterprise workers during this period.

Conclusion: PLA Soldiers Bring Experience To Bear

In the last several years, PLA soldiers-turned-workers have carried out some of the most militant campaigns against state enterprise privatization in

China. Officer cadres, who went through an intense indoctrination in the military, developed a sophisticated political perspective on economic restructuring. These former soldiers often aimed their criticism at the top echelons of the party-state, focusing on the stark contradictions between the long-standing communist ideology and the actual policies of the regime. It’s important to note that former PLA soldiers didn’t have this perspective earlier in the nationwide move to “market socialism.” It was only after years of struggle as workers that they came to doubt the legitimacy of the system. In 1998, the former soldiers still expected the authorities to respect the law and implement the protections for workers written into the Chinese constitution. By 2004, however, many former soldiers understood that the rules no longer applied, that the system itself had changed, and that the ideological underpinnings of Chinese communism with its “power to the workers” rhetoric had nothing to do with the market society being built by the authoritarian regime. This change in consciousness evolved as the restructuring process proceeded for 20 years and finally undermined the former soldiers’ assumptions and expectations.

The workers in PLA-owned factories tried a wide range of strategies to save their jobs and livelihoods. They tried to take over official unions, purchase companies, investigate and document corruption, and petition authorities all the way to the highest level of government. They even held company managers and local officials hostage in order to get a response to their demands. But the militant and disciplined former soldiers still lost almost all their battles. Like millions of other workers, they’ve been crushed by the top-down creation of yet another “New China.”

¹ *China Labour Bulletin (CLB)* Chinese, September 23, 2004, http://big5.china-labour.org.hk/big5/article.adp?article_id=5802,23/09/04.

² According to the *Xinhua News* report, “Civilian products now account for 80 percent of the total output value generated by the military industry, covering the fields of communication, transportation, energy, light industry, medicine, textile, engineering and construction,” and the military industry seeks overseas trade actively. Also see “Military industry enterprises eye world market,” *China Daily*, June 5, 2004-05-06.

³ CLB Chinese, September 23, 2004, http://big5.china-labour.org.hk/big5/article.adp?article_id=5802,23/09/04, September 23, 2004.

⁴ CLB Chinese, September 3, 2004, http://big5.china-labour.org.hk/big5/article.adp?article_id=5731.

⁵ CLB Chinese, September 6, 2004, http://big5.china-labour.org.hk/big5/article.adp?article_id=5775.

⁶ CLB Chinese, September 24, 2004, http://big5.china-labour.org.hk/big5/article.adp?article_id=5814.

⁷ Yazhou Zhoukan, “Shenzhen wuqian kaihuang niu de nuhou” (“Shenzhen 5,000 pioneers roar”), *Wang Jianmin*, November 13, 2005.

⁸ BBC Chinese web, “Shenzhen xuqian tuiwu junren kangyi anzhi budang” (“Several Shenzhen ex-soldiers protest unreasonable treatment”), November 8, 2005.

⁹ *Ibid.*

GP Batteries Strike

When workers found out about their poisoning, they asked management to send them for treatment. According to workers' reports, management delayed for months and said workers had to wait for their turn because there were too many of them. The workers later decided they wouldn't wait forever and went on strike.

GP WORKER, 2004¹

Summary

IN THE SECOND HALF OF 2003, one worker after another began to fall ill at four Gold Peak (GP) Batteries factories in the city of Huizhou, Guangdong Province. Owned by Hong Kong investors, GP was Asia's largest manufacturer of batteries outside Japan. Like so many export enterprises in China, the Huizhou factories employed the nation's new generation of industrial labor. Most of the several thousand workers were migrants from other regions of China; most were women of child-bearing-age.

No one understood why so many workers were getting sick until November 2003, when one employee finally got a reliable diagnosis: it was cadmium poisoning from working with battery components. Workers alleged that the company had never informed its employees that cadmium was a well-known carcinogen, and that long-term exposure caused particular damage to the lungs, liver, and bones. Once they realized the danger, the frightened and angry employees demanded that management pay for a thorough medical exam for every worker. Meanwhile, despite the cost, some workers paid for medical exams themselves and discovered that they, too, had cadmium poisoning. In May and June 2004, the frustrated, ailing workers organized slow-downs and strikes.

The workers organized demonstrations in front of the city government offices, demanding that the authorities intervene on their behalf. Dissatisfied with the government's response, the workers tried a media strategy, with the hope that an *exposé* of conditions at such a prominent company would create international criticism and force the owners to provide medical care and financial compensation. This strategy

succeeded in part. In July 2004, a Hong Kong newspaper ran a story that produced considerable attention and support for the workers. The company made some concessions, possibly in response to this negative media coverage and the resulting sustained solidarity drive led by Hong Kong labor unions and workers' rights organizations. One indication of Gold Peak's concern about the potential fallout from the solidarity campaign, the corporation in 2006 filed suit against three of the protesting organizations — Globalization Monitor, the Hong Kong Confederation of Trade Unions and the Neighborhood and Workers Service Center — alleging that a protest postcard they produced was defamatory. The three groups denied the charges, but the case was still pending at the time this chapter was finished for publication.

In 2005, two groups of Gold Peak workers filed suit against the company, requesting compensation for negligence and damage to their health. In the end, however, the Huizhou court dismissed the claim, citing lack of evidence that the workers' illnesses were employment-related. An appeal filed in 2006 also failed. The lack of evidence appeared to stem from the fact that

the court refused to admit evidence from the hospital and other sources that the workers had indeed suffered work-related illness.² Worker advocates accused court officials of “deliberately” ignoring evidence.

The GP Batteries campaign had several unusual features: first, the workers sustained their struggle for nearly two years at a time when millions of young migrant workers, including many women, were laboring in Chinese factories but rarely managed to conduct a prolonged worker rights campaign. This was especially true in Guangdong Province where so many of China’s export industries and foreign ventures were located. Second, the GP Batteries workers’ primary concern was workplace health and safety. In so many other protests in China, economic issues — especially severance pay, pensions, and insurance for older workers — drove the struggles. Third, the young migrant workers had a very different political perspective from that of the older workers in state-owned enterprises. The older workers were steeped in Communist Party ideology and were dumbfounded and embittered when the party-state tossed them aside. Young migrant workers seldom expressed strong ideological resentment against the government. They were focused on labor rights and working conditions, not on China’s larger political system or history of Maoist revolution.

In conducting their campaign, the GP workers used the same tactics as other workers: strikes, slowdowns, efforts to negotiate with management, petitions to the government, and appeals to the media. But the case of GP Batteries isn’t primarily a story about the suffering of migrant workers; rather, it is a story about how women workers stood up to the many authorities surrounding them and to a multinational corporation in order to defend their rights and well-being.

Hong Kong played a particularly prominent role in this story. The *exposé* of hazardous working conditions in GP’s factories in Huizhou galvanized Hong Kong’s independent labor unions and nongovernmental organizations (NGOs) dedicated to labor rights. They felt strong solidarity with the mainland workers, but equally important, they understood the growing vulnerability of Hong Kong’s own workers in the global economy.

Information about the GP workers’ campaign in this chapter comes mainly from the Hong Kong press and NGO reports. Han Dongfang and the *China Labour Bulletin* (CLB) conducted the interviews quoted here.

A Top Ten Company

At the time of the workers’ action, Hong Kong’s Gold Peak Group owned GP Batteries International Ltd., which had production facilities in Hong Kong, China, Singapore, Taiwan, and Malaysia, supported by marketing and trading offices in Asia, Europe, and North America. Its customers included well known corporations such as Canon, Kodak, Sony, and Toshiba. The Gold Peak Group employed more than 13,000 people worldwide.³ It claimed to be one of the world’s top 10 producers of electrical batteries, Asia’s leading producer of batteries apart from Japan, and the largest Chinese manufacturer of consumer batteries — which contain nickel metal hydride (NiMH) and nickel cadmium (NiCd).⁴ It also manufactured manganese dioxide primary lithium batteries in cooperation with Sanyo in China.⁵

In Hong Kong, GP Batteries was both well-known and well regarded: the company received the “Hong Kong Top 10 Brand Names” award in 1999 and 2003 from the Chinese Manufacturers’ Association in the Special Autonomous Region of Hong Kong.⁶ In 2003, the Chairman and CEO of the Gold Peak Group became a member of the Executive Council of Hong Kong’s government. GP Batteries also had a strong presence in mainland China, where it operated 11 battery factories. Eight of these were in the province of Guangdong — two in the city of Dongguan, two in the city Shenzhen, and four in the small city of Huizhou. GP had opened its factories in Huizhou in 1994.⁷

Only some of the batteries sold by the Gold Peak Group were labeled with the GP brand; more were sold as “unbranded” batteries, used in toys and other devices for the U.S. and other markets.⁸

Toxic Workplaces

In 2003, workers at two of the GP Batteries factories in Huizhou — the Chaoba Factory and the Xianjin Factory — were the first to investigate their illnesses. By the second half of that year, many GP workers were sick, but the company clinic never gave them a truthful diagnosis. In November, a

In conducting their campaign, the GP workers used the same tactics as other workers: strikes, slow-downs, efforts to negotiate with management, petitions to the government, and appeals to the media.

worker named Li Jizhong decided to get an independent evaluation at the Occupational Diseases Center in the city of Guangzhou. The doctors there discovered Li had “an excessive level of cadmium in the blood.”⁹ Alarmed by this diagnosis, Li’s coworkers demanded an immediate explanation from the company. Management called in their medical expert who allegedly assured the workers they had nothing to worry about: if they “drank plenty of water,” he said, they would “be fine.”¹⁰

The workers, who had high levels of the toxin in their blood, had direct contact with the powder form of cadmium oxide in their work. They were responsible for pouring the chemicals into the packaging machine to produce rechargeable batteries. Yang Yinghua, a 24-year-old woman from Hunan Province who worked on this production line, told Han Dongfang that she felt nauseated and had severe back pain.

Workers reported that their factory managers had never informed them about the risks of, or trained them to take precautions against, exposure to cadmium. Before the widespread poisoning was discovered, the only protections workers had were cloth mouth masks and gloves. Then, as a cost-cutting measure, management changed from cloth masks to paper masks. Drinking water for the workers was stored in open containers inside the workspace. Workers reported that a layer of grayish dust often floated on the surface of the drinking water. The workers didn’t learn that they were not supposed to eat or drink inside the plant until after the poisoning was revealed. At that point, management relocated the drinking water supply.¹¹

There was yet another grave aspect to this case: Most of the workers were women of childbearing age. No one had informed them about the danger of cadmium exposure for pregnant and breastfeeding women.

WOMAN WORKER: Previously they just didn’t know. There are [pregnant women] among us now. A

woman, eight months pregnant, is really worried but is at a loss about what she can do. Among those of us who were hospitalized last time [in May 2004], a woman who was in the early stage of her pregnancy decided to go for an abortion once she learned about the health hazards. Now we know that the Occupational Disease Prevention Law requires that women workers must be transferred away from the workplace [immediately] after entering into pregnancy. ... But before, women were transferred only after three months into their pregnancy. ... Some women had to work with cadmium ... during their breastfeeding period, and no attempt was made to prevent any exposure.¹²

Workers reported that at least 40 women had given birth during their employment at GP Batteries. None of them was transferred away from the areas polluted with cadmium. Many of them suspected damage to the health of their children.¹³

(More than a year later, in 2005, 30 GP workers in a Hong Kong plant also tested positive for abnormally high levels of cadmium in their bodies, and three were diagnosed with cadmium poisoning.¹⁴ In addition to the toxic atmosphere inside the factories, the environmental group Greenpeace charged that the GP plants were also discharging cadmium into local drainage systems.¹⁵)

The Workers Fight Back

With the number of complaints growing and the workers becoming more anxious and insistent, GP management sent several hundred workers in Huizhou to local hospitals to be tested on May 25, 2004. When the GP workers asked for more information and proper medical treatment, workers claimed that management responded by threatening to fire them or have them arrested. The workers then organized a series of strikes and protests.

FAMILY MEMBER OF A WORKER: She was not sent [to the hospital] by management. She went to the Guangdong Province Occupational Disease Hospital and paid for her own consultation, and only then found out [that she had cadmium poisoning]. When work-

ers found out about their poisoning, they asked management to send them for treatment. According to workers' reports, management delayed for months and said the workers had to wait for their turn because there were too many of them. The workers later decided they wouldn't wait forever and went on strike.

HAN DONGFANG: When did they strike?

FAMILY MEMBER: From May into June. Only on June 19 were workers sent to the hospital. Once management sent them to the hospital [over 100 of them], the workers called off their strike.

HAN: How many strike actions were taken altogether?

FAMILY MEMBER: The strikes went on continuously. The workers' representatives were negotiating with management, but management threatened them with police arrest and sackings. Aiya, it went on endlessly just like that — on-and-off strikes. ...

GP workers at both the Chaoba and Xianjin Factories in Huizhou called strikes between June 9 and June 14 because management wouldn't let them see their own medical reports. The public hospitals had sent the reports to the company.¹⁶

WOMAN WORKER: We struck! It's our way to voice our strong demands. Because they [management] wouldn't give us medical check-ups, many of us paid ourselves to be examined. When we learned we had higher than the acceptable limit [for cadmium in the blood], we all went to the management. It caused panic — there were so many of us!

HAN DONGFANG: How many days did the workers strike for?

WORKER: Two days, twice. Once in June [2004]. After our medical examinations, we couldn't see our results. We asked for them, and we had to strike for two days. Then management issued us some kind of a note — just a note, with no official stamp or anything whatsoever. They [the managers] said that the piece of paper was our results. We then demanded to see the original report. Wasn't it right to ask that? We must look at the original report from the hospital examinations. We then had to strike for another two days, on June 8, before they showed us.¹⁷

Not satisfied with management's response, the GP workers decided to petition the city government to provide adequate medical consultations for the entire workforce.

HAN DONGFANG: How come the factory eventually agreed to send you all to the hospital?

WOMAN WORKER: It's under the supervision of the city government. The city government intervened.

HAN: What led to the city government intervention?

WORKER: It's because our factory refused to take care of this matter. They were dragging their feet. So many of us went to the city government and asked them to

look into our case. The city government saw that it was a serious case so they came out and intervened and got all of us sent to the hospital [for examinations].

HAN: How many of you went to get help from the city government?

WORKER: Several dozen. We also sent several representatives to talk to them about our situation.¹⁸

On June 29, 2004, GP workers at the Xianjin Factory in Huizhou staged another strike to demand that management improve their working environment.¹⁹ Between September 8 and September 11, 2004, workers at the Chaoba Factory organized another strike and a round-the-clock picket line.²⁰

Cover Up Claims

Back in spring 2004, GP workers at the Chaoba Factory had demanded that management provide complete medical check-ups for the entire GP workforce, but the company arranged for only 540 mostly new employees to be examined at the Huizhou Center for the Prevention of Diseases. Of these 540 workers, 121 were found to have "excessive levels of cadmium in the blood." Yet those who had worked at the Chaoba factory longer were declared to be "normal." Not one was diagnosed as suffering from cadmium poisoning, nor had the company arranged medical check-ups for most of the 1,500 most senior workers.²¹

When workers tried to negotiate with management, they said that they were told that the company had plenty of money and couldn't be influenced by any legal action that the workers might take.

WOMAN WORKER: The manager of our production department ... said to the workers, "By all means, go and sue us and make trouble for us. We at GP have money! We are happy to go where you want to take us." What he was trying to say was that we workers stood no chance to get anywhere!²²

Not trusting the company-arranged medical check-ups, about 300 workers at GP's Chaoba factory went to other hospitals to have independent medical examinations. The results were very different from those produced in the hospital chosen by management (the Huizhou Center for the Prevention of Diseases). According to the independent tests, the level of cadmium in the workers' blood was at least four times higher than reported by the Huizhou Center, and fully

two-thirds of the workers tested had excessively high levels of cadmium.²³

When the workers confronted the Huizhou Center with these alarming results, the center's spokespeople claimed that the center's medical analysis equipment had been "out of order."

The workers saw all of this as evidence that GP Batteries International and government authorities in Huizhou were conspiring in the cover-up.

What Union?

According to China's Trade Union Law, the official trade unions were responsible for protecting the workers' safety and health. The law also stated that a factory union could organize a walk-out if an employer refused to eliminate health and safety hazards. In fact, health and safety issues were the only reasons that a union could lawfully lead a strike.

Workers at the GP Chaoba Factory claimed that they didn't even know their union existed. As one worker explained, she had never heard of a union election in the eight years she had been at the factory. Only after the outbreak of the poisoning scandal did the union chair come forward. She was also a manager in the company's personnel department. According to the workers, she refused to help them negotiate with management and even taunted them about taking their case to the central government in Beijing.

HAN DONGFANG: Do you know [her]?

WOMAN WORKER: Yes, we do. She's really cocky and very ferocious with us. She's from our personnel department.

HAN: Isn't she the chair of the union?

WORKER: Her? Union chair? She won't speak for us! When we went to see her, she was ferocious. When we asked her to talk to management on our behalf, she told us to go to Beijing. ... "Go and petition Beijing. Go to Beijing. Let's see what show you can put on," she said.²⁴

According to the workers, the union chair was one of the managers who obstructed their efforts the most.

HAN DONGFANG: What's the biggest obstacle you faced during your attempts to get a medical investigation?

WOMAN WORKER: Obstacles inside the factory?

HAN: Yes.

WORKER: Well, I'd say it was [the union chair] and her lot. ... When we got medical examinations on our own,

she refused to recognize the results. She said, "You went for the check-ups on your own. How do I know that you didn't ask someone else to stand in for you to get the results [that you wanted]?" That's what she said!²⁵

Exposé and News Blackout

Having lost all confidence in GP Batteries' management, the workers hoped that a media *exposé* about their case might ultimately help them win justice. In June 2004, they contacted the press in Guangzhou, a larger city than Huizhou, but they received no response. They then decided to try the press in Hong Kong. Unlike the heavily censored media in mainland China, the "freer" Hong Kong press had been able to do important *exposés* — especially when events took place in the adjacent Chinese province of Guangdong. On July 3, 2004, the *Oriental Daily News*, a popular Chinese-language newspaper in Hong Kong, published a story about cadmium poisoning at the GP Batteries factories. The report caught the attention of unions and labor rights groups in Hong Kong and even generated coverage in the local press on the mainland.²⁶ In late November 2004, the Hong Kong media reported that cadmium poisoning wasn't limited to the GP factories in the city of Huizhou but had been discovered among GP workers in Shenzhen and Dongguan as well.

On July 5, 2004, two days after the first article in the *Oriental Daily News*, the following statement appeared on the GP Batteries website: "The workers at Huizhou GP Chaoba Factory have all been given proper training and instruction on the characteristics of cadmium." It emphasized that, "in all aspects of safety, workers' health, environment, and sewerage, the GP factory conforms to international standards." The company also sent nearly 200 GP workers from the Chaoba and Xianjin factories in Huizhou to be hospitalized for medical exams and treatment.

HAN DONGFANG: I've read a report in the *Huizhou Daily* that said the factory had given proper treatment to its workers.

FAMILY MEMBER OF A WOMAN WORKER: No, they haven't. It's a lie!

HAN: How have the workers been treated?

FAMILY MEMBER: They are forced to go to work. You must go to work, or else you won't get your wages. But the workers ... are not going to work. They can't. She [the relative] still has continual aches all over her body. It's a reaction to cadmium poisoning. She

has [in her blood] several times the national safety limit, but still she is not recognized as suffering from an occupational disease. They [GP Batteries International] earn billions a year — high profits, high income. The price is sacrificing workers' health.

HAN: The company has stated on its web site that they are shouldering all the medical fees of all hospitalized workers and will pay wages to all these workers.

FAMILY MEMBER: Let me tell you — the kind of medical treatment they receive is a big joke. The workers were all thrown out of the hospital after eight or nine days. The thing is, when [sentiment for] a workers' strike has built up, they send the workers to the hospital. They don't get cured after eight or nine days! Not a single jab [injection] was given! They were only given some glucose drips and then were sent home. It's a complicit plot between the factory and the Guangdong Province Occupational Disease Hospital.²⁷

One worker described how the doctors and nurses at the Huizhou City Central Hospital had treated them.

WOMAN WORKER: We also found that the hospital staff behaved very badly, and we were very unhappy about that. How shall I put it? That doctor, when doing his rounds to examine us, asked if we had any symptoms and where did we feel unwell. I surely told the truth to the doctor. We said we felt headaches and dizziness and simply didn't feel well. He just thought we were fooling around. And they [the nurses] said, "These people ... Don't mind them, they eat well and live well here." That's how they talked to you, [with a] very bad attitude.²⁸

Journalists from the mainland and Hong Kong were told that the authorities had banned all contact between reporters and the hospitalized GP workers. The workers claimed that the company had stationed its own personnel in the hospital to prevent any contact.

HAN DONGFANG: Was it convenient for you to talk to reporters when you first went into the hospital?

WOMAN WORKER: No, it wasn't, but it's even more [difficult] now. The factory has now sent its people to [be] station[ed] at the hospital to keep watch [on the workers]. When a patient wants to go out to buy something, he [the guard] asks you to write it down. He will get it for you, and you can't go out. Anyone from outside, if they look like reporters, is stopped by him.

HAN: Was it like this when you first went into the hospital?

WORKER: They probably hadn't thought of it at the beginning. But after the [press] reports went out, they've been doing it like this.

HAN: Who has the factory sent [to stand guard at the hospital]?



WORKER: The senior managerial staff of the personnel department.²⁹

Tell It to City Hall

On several occasions, managers of the GP factories made revealing statements about government officials, statements which were simply more evidence for the workers that the local government was going along with the company's misconduct.

FAMILY MEMBER OF A WOMAN WORKER: Zeng Xing-an ran the production department [of a GP factory]. He's now stationed at the Guangdong Province Occupational Disease Hospital, and keeps complete control over our hospitalized workers. He doesn't let them go out on the streets nor come into contact with people outside the hospital. ... One of the managers said to us, "Go and sue us if you want. We're not afraid. We have money. All we need to do is give some corrupt officials of the Communist Party some money, and we will be all right."³⁰

Both workers and plant managers knew this was the reality of justice in China. The GP workers had considered taking legal action to get compensation for their medical problems, but they felt blocked by a lack of concrete evidence and no support from local medical authorities.

HAN DONGFANG: Have you thought of hiring lawyers to take legal action against them [the company]?

FAMILY MEMBER OF A WOMAN WORKER: We've thought of that. But now we don't have evidence. When we were in the Guangdong Provincial Occupational Disease Hospital, the hospital refused to diagnose us. When we asked, they told us we were not

poisoned. We have several times the national limit of cadmium in our blood and urine samples, but they still said we didn't suffer from an occupational disease! Without this evidence, the courts wouldn't take our case even if we file our case. ...

HAN: Didn't you apply for occupational disease diagnoses?

FAMILY MEMBER: They wouldn't give it.

HAN: Who wouldn't give it?

FAMILY MEMBER: That hospital! We were asked to pay RMB 1,500 [\$181] each for such a diagnostic consultation. We couldn't pay that. It's too much, we can't afford it! Then the hospital asked our patients to ask our employers to pay. The factory management said no, there were too many workers, and they couldn't afford it.

HAN: Did the factory refuse to pay the sum?

FAMILY MEMBER: Yes, that's right. They wouldn't pay. Nor would they provide any information. Even if we workers wanted to sue, without evidence we'll get nowhere. The protection [given to the company] by the local authorities is too substantial.³¹

The workers kept demanding that employers pay their wages during the time they were on sick leave and receiving medical treatment. They knew that this was their right by law. The struggle also raised their awareness of other labor rights. For example, workers realized that GP Batteries had never paid them the legal minimum wage, and so they demanded that the company make up what they were owed. They also learned that the company had broken the law by insisting they work 12 hours a day with only one day off per month. But, according to a GP worker, an official from the city of Huizhou's Economic and Trade Committee threatened to have China's political police arrest them if they made any more trouble.³²

WOMAN WORKER: Several days ago we were negotiating with the management. We didn't go to work. When we were out of the hospital, we went to talk to the managers [to say] that they must raise our wages [to the minimum wage level]. We were not happy. We refused to return to work even [when] they asked us to. Someone ... from the Economic and Trade Committee or the Foreign Economic and Trade Committee came to see us. She was even a secretary [officer] of the committee. ... We don't know what her full name was. This Secretary talked to us. We were under a lot of pressure and may have used some strong language to demand what we wanted. She then said, "Are you trying to make trouble? If you are, then we will send the PSB officers to pick you up and arrest all of you." That's how she threatened us.³³

One woman worker reportedly escaped from the hospital and left a note saying she felt very frightened. Another hospitalized worker who was pregnant was reportedly threatened with police detention and had to leave. She returned to her home village.

FAMILY MEMBER OF A WOMAN WORKER: Among the poisoned were several pregnant women. After the reporters exposed this case in the newspaper. ... the factory management threatened that pregnant worker [saying] that she would be picked up by the PSB. She was frightened and had to take leave and return home.

HAN DONGFANG: Is the woman worker a local resident?

FAMILY: From outside, basically we are all from outside [other provinces].³⁴

Workers at the GP factories in the cities of Shenzhen and Dongguan also complained about the mishandling of medical exams and health records and subsequent cover-ups. According to the workers in one Shenzhen plant, the company sent 1,300 of them over for check-ups on August 13 and 14. During the first screening, 80 workers were found to have toxic levels of cadmium in their urine samples, but in the second screening, only 18 of the same workers had excessive levels. GP workers in Dongguan reported the same kinds of discrepancies in the results of their medical tests. The Shenzhen workers went to the complaints office in the city's Health and Hygiene Bureau to request government intervention, but the officials offered only verbal reassurances and no real help.³⁵

Petition the Province

GP workers at the Chaoba Factory in the city of Huizhou decided to take their case to a higher level of government in order to bypass what they believed were corrupt city officials. In late July 2004, they sent two representatives to deliver their petition to the provincial government.

FAMILY MEMBER OF A WORKER: They [the workers' representatives] have gone to petition the Guangdong provincial government. There's nothing else we can do. The city government refused to take the case. This is a case of complicit malfeasance committed by the local government, the Guangdong Provincial Occupational Disease Hospital, and this company.

HAN DONGFANG: How many people have gone to petition today?

FAMILY MEMBER: Two of them first went today. If the provincial government refuses to look into our case,

hundreds of our poisoned workers will rally in the streets to demonstrate against the provincial government. We will all go.³⁶

The outcome of this petition isn't known. Officials of the Huizhou government held a press conference on August 3, 2004, and pledged to handle the case according to the regulations.³⁷ On September 3, however, the workers received a joint notice from the company and Huizhou government threatening police reprisals if they petitioned a higher level of government.³⁸

Wins and Losses

In 2004, a group of concerned labor unions and NGOs in Hong Kong launched a solidarity campaign for the GP Batteries workers, a campaign that was still active at the time this chapter was written. On September 11, 2004, the CEO of the Gold Peak Group pledged to set up a fund to assist the affected workers.³⁹ GP also announced in August 2005 that it was establishing a RMB 10.7 million (\$1.3 million) fund to provide financial assistance to about 16 poisoned workers. In addition, the company declared it would pay for the victims' medical treatment as required by law on the mainland.

The solidarity campaign recognized the significance of GP's announcement: It was the first time that sustained pressure from the workers, international unions, and NGOs had forced a powerful Hong Kong company to set up such a fund.⁴⁰ Nevertheless, the solidarity campaign condemned the extreme inadequacy of the fund, claiming that there were at least 400 workers who needed treatment, not 16. That same month, August 2005, the Huizhou Court ruled against 65 GP workers from the Chaoba and Xianjin factories who had sued the company. In September and October, the court also rejected the claims of other workers against GP Batteries.⁴¹

Many workers quit the GP factories because they feared for their health. Nearly all of the 177 workers who had been put under medical observation in 2004 left. Some of them then discovered that other employers would immediately reject job applications when they discovered that a worker had come from GP Batteries.⁴²

In April 2007, the International Trade Union Confederation (ITUC), its affiliate in Hong Kong (HKTUC), and an NGO called Globalization Monitor again called for international pressure on GP Batteries to provide medical exams for all its employees as well as treatment and compensation for those who were ill.⁴³ The ITUC also hoped to draw attention to the danger of cadmium.⁴⁴ According to their report, GP had still done nothing about the more than 400 known cases of excessive exposure, was still harassing its workers, and hadn't provided tests for 600 other workers, mainly young women.⁴⁵

Conclusion: a Partial Breakthrough for Women and Migrant Workers

The women workers of GP Batteries — who typify millions of younger migrants drawn into the factories of China's market economy — put up a valiant fight to protect their health and their labor rights. They won some concessions from a powerful international investment group. Winning any concessions was in itself a breakthrough. The workers' struggle was certainly helped by the solidarity campaign of international unions and NGOs in Hong Kong. Their intervention demonstrated the importance of a strong civil society, where independent players can act politically, for defending labor rights. The GP Batteries struggle is both an inspiration and example for the migrant workers in China who produce goods for the rest of the world.

¹ *China Labour Bulletin* (CLB), transcript of Han Dongfang's Labour Express radio broadcast, Radio Free Asia Mandarin Service, August 21, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7930&item%5fid=7929>.

² *Globalization Monitor*, Report on the Gold Peak Cadmium Poisoning Case, March, 2007, p.34-47, http://www.global-unions.org/pdf/ohsewpq_9.f.EN.pdf.

³ GP Batteries company, <http://www.gpbatteries.com.sg/profile.htm>.

⁴ *Ibid.*

⁵ CSR-Asia, <http://www.csr-asia.com/index.php?p=49>.

⁶ GP Batteries company, <http://www.gpbatteries.com.hk/html/pdf/Top10Brandnames.pdf>.

⁷ *Globalization Monitor*, "Are you using GP batteries? How the GP group poisoned 400 mainland workers with cadmium and how they are fighting back," February 2, 2006, <http://global-monitor.blogspot.com/2006/09/are-you-using-gp-batteries-how-gp.html>; Also see: Tim Johnson, Knight Ridder, "Chinese find jobs are poison," *Charlotte (North Carolina) Observer*, November 9, 2004, quoted in <http://globalmonitor.blogspot.com/search?q=chinese+find+jobs+are+poison>.

⁸ Tim Johnson, Knight Ridder, "Chinese find jobs are poison," *Charlotte (North Carolina) Observer*, November 9, 2004, quoted in <http://globalmonitor.blogspot.com/search?q=chinese+find+jobs+are+poison>.

- ⁹ CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, August 28, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7942&item%5fid=7941>.
- ¹⁰ CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, August 28, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7942&item%5fid=7941>.
- ¹¹ CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, August 28, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7942&item%5fid=7941>.
- ¹² CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, August 21, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7930&item%5fid=7929>.
- ¹³ *Globalization Monitor*, March 26, 2006, <http://globalmon.civiblog.org/blog/GP>.
- ¹⁴ *Globalization Monitor*, <http://globalmonitor.blogspot.com/>.
- ¹⁵ Tim Johnson, Knight Ridder, "Chinese find jobs are poison," Charlotte (North Carolina) Observer, November 9, 2004, quoted in <http://globalmonitor.blogspot.com/search?q=chinese+find+jobs+are+poison>.
- ¹⁶ *Globalization Monitor*, February 6, 2006, http://globalmon.civiblog.org/blog/GP_archives/2006/2/6/1747509.html.
- ¹⁷ *China Labour Bulletin* (CLB), transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, August 24, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7938&item%5fid=7937>.
- ¹⁸ *Ibid.*
- ¹⁹ *Globalization Monitor*, http://globalmon.civiblog.org/blog/GP_archives/2006/2/6/1747509.html.
- ²⁰ *Ibid.*
- ²¹ *Ibid.*
- ²² *China Labour Bulletin* (CLB), transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, August 7, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7922&item%5fid=7921>.
- ²³ CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, July 31, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=1246&item%5fid=1245>.
- ²⁴ CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, August 14, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7938&item%5fid=7937>.
- ²⁵ *Ibid.*
- ²⁶ *Globalization Monitor*, February 8, 2006, http://globalmon.civiblog.org/blog/GP_archives/2006/2/6/1747509.html.
- ²⁷ CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, August 7, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7922&item%5fid=7921>.
- ²⁸ CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, August 7, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7922&item%5fid=7921>.
- ²⁹ CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, July 31, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=1246&item%5fid=1245>.
- ³⁰ CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, August 7, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7922&item%5fid=7921>.
- ³¹ *Ibid.*
- ³² CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, August 21, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=7930&item%5fid=7929>.
- ³³ *Ibid.*
- ³⁴ *Ibid.*
- ³⁵ CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, December 13, 2004, <http://big5.china-labour.org.hk/public/contents/news?revision%5fid=12579&item%5fid=12578>.
- ³⁶ CLB, transcript of Han Dongfang's *Labour Express* radio broadcast, Radio Free Asia Mandarin Service, July 31, 2004, <http://big5.china-labour.org.hk/public/contents/article?revision%5fid=1246&item%5fid=1245>.
- ³⁷ *Globalization Monitor*, February 6, 2006, http://globalmon.civiblog.org/blog/GP_archives/2006/2/6/1747509.html.
- ³⁸ *Globalization Monitor*, February 4, 2006, http://globalmon.civiblog.org/blog/GP_archives/2006/2/4/1743998.html.
- ³⁹ *Globalization Monitor*, February 6, 2006, http://globalmon.civiblog.org/blog/GP_archives/2006/2/6/1747509.html.
- ⁴⁰ *Globalization Monitor*, <http://globalmonitor.blogspot.com/>
- ⁴¹ *Globalization Monitor*, A Response to GP's January Statement on Cadmium Poisoning Case, March 15, 2006, http://globalmon.civiblog.org/_attachments/1840709/GM's%20Response%20to%20GP's%20Jan%20Statement%200603.pdf
- ⁴² *Globalization Monitor*, http://globalmon.civiblog.org/_attachments/1750792/050320.doc.
- ⁴³ "Cadium Cancer Fears in China Lead to Urgent Call for Information—and Action," April 28, 2007, http://www.global-unions.org/pdf/ohsewpQ_9h.EN.pdf. See also "A 28 April Candle Glow for China," April 18, 2007, http://www.global-unions.org/pdf/ohsewpQ_9i.EN.pdf. See also "Cadium and Other Workers in China," <http://www.ihlo.org/C/GP%20Workers/240407.html>.
- ⁴⁴ *Ibid.*
- ⁴⁵ *Ibid.*

Chinese Mineworkers and the Wanbao Coal Mine Strike

Various accidents have haunted the coal mining industry in recent years. Work safety issues have become a source of problems undermining a harmonious society.

OUTLOOK WEEKLY, BEIJING

This really makes me angry. The wages have been embezzled, and those getting one million yuan by fraud don't receive any punishment. Who cares? Who can deal with this? There are those who embezzle tens of million yuan, and officials who also run their own factories. Who cares?

RELATIVE OF A MINER

Summary

IN DECEMBER 2002, 30 miners perished in a fire at the Wanbao Coal Mine in Jilin Province. In response, the victims' angry coworkers assaulted the mine's director. It was a major story, and the mainstream media got much of it right, but they failed to put the violence in context: These workers had been conducting protests against the mine operators for three months prior to the disaster. The deaths of their comrades brought renewed energy to their struggle and focused public attention on the plight of Chinese miners.

Signing a Life-and-Death Contract

China is the world's largest sweatshop. Chinese workers endure miserable conditions in its factories and mines, grueling hours, low pay, and a high rate of industrial accidents which maim and kill. According to China's own State Administration of Work Safety (SAWS), the nation had an average of about 1 million industrial accidents and nearly 140,000 job-related deaths every year between 2001 and 2004.¹

While relying on coal for 70 percent of its energy consumption in 2007, China operates the world's deadliest mines. Every year from 1990 through 2005, between 4,000 and 6,000 miners were killed on the job, most of them coal miners. For the coal industry alone in 2006, SAWS reported a total of 4,746 deaths resulting from thousands of explosions, floods, collapses, and other

accidents. These are Beijing's official figures, but the real numbers are certainly much higher, given that mine operators cover up a large number of accidents.

In 2004, China's 28,000 coal mines accounted for about 35 percent of the world's coal production and fully 80 percent of the world's coal mining deaths.² The fatality rate was three to four miners for every one million tons of coal produced — a fatality rate 100 times that of the United States and Russia.³

In addition to mine accidents, official Chinese statistics for 2004 showed that about 600,000 miners suffered from pneumoconiosis (commonly known as "black lung disease") caused by continuous, long-term inhalation of dust. Every year, the total number of sick miners increases by 70,000,⁴ and every year at least 5,000 workers — half of them coal miners —

die of black lung disease.⁵ Independent researchers estimate that about one million miners have contracted silicosis, which is caused by inhaling crystalline silica dust from stone and flint.⁶ Tragically, these statistics reflect the standard profile of industrial health and safety conditions in China today, and the price migrant workers in general and miners in particular pay for having a job and helping to create the country's attention-grabbing economic growth.

Equally disturbing, Beijing has admitted that most of the mines operating in China are illegal. Between 1997 and 2001, the government supposedly shut down more than 50,000 small illegal coal mines, but, in fact, it's almost impossible to keep them closed. They reopen a few days later with the complicity of local officials, move a short distance away, or operate during the night. Moreover, pressured by China's ever-expanding energy needs, Beijing has allowed many dangerous mines to reopen.

When 56 miners perished in a pit under a coal mine in Shanxi Province in May 2006, Li Yizhong, director of SAWS, blamed the accident on the mine's overproduction. The coal company had a license to produce 90,000 tons a year, but in the two-and-a-half months before the calamity, it had produced 130,000 tons. Two years earlier, official statistics had revealed that 20 of China's 27 coal-mining regions were producing at levels above their safe capacity.⁷ Yet in spite of the country's rapid economic growth and its related energy needs, investment in the productivity of coal mining has lagged. During this period, the average Chinese miner produced 321 tons of coal per year — a mere 2.2 percent of a U.S. miner's output and just 8.1 percent of what a South African miner produces.⁸

Underinvestment, production beyond safe capacity, and illegal operations have turned the majority of China's coal mines into virtual death traps for three million miners — most of them transient migrants from the poorest areas of China who have almost no choice but to take the nation's deadliest jobs. Many mine owners require employees to sign a waiver of all legal claims against the company, other than a pitifully small one-time payment in the event of injury or death on the job. Workers have dubbed this waiver the "life-and-death contract" (*sheng si zhuang*).

In June 2007, China's top leadership, including President Hu Jintao, announced another of its periodic

crackdowns on labor abuses. China's 200 million migrant workers were to receive special attention. But past crackdowns have proved ineffective, and the new bureaucracies and new regulations created to deal with the problem, including the 1992 Coal Mine Safety Law, have done almost nothing to clean up the deadly mining industry. An impenetrable web of vested interests among business operatives, local government, and police has thwarted Beijing's initiatives. Moreover, many people suspect that the regime tacitly endorses the abusive system — or looks the other way — because fuel for the nation's economic growth is paramount. In the struggle against a cabal of employers and local authorities (some government officials also own shares in the mines), the workers have almost no leverage. These desperate and vulnerable migrant miners are too fearful to take action to defend their legitimate rights — or even their lives.

In this environment of suffering and fear, the exceptions to inaction stand out. This chapter tells the story of one of the most notable: the miners' protest at the Wanbao Coal Mine in the northeastern province of Jilin.

Protest and Disaster in 2002

On December 6, 2002, shaft No. 7 at the Wanbao Mine exploded into flames, trapping 30 miners in the blaze. When their coworkers heard the news, a group of them found the mine director and beat him until he managed to escape. The following day, 27 bodies were pulled from the shaft; three miners remained missing. On December 11, the distraught father of one of the victims died of grief. On December 12, the wife of one of the missing miners hung herself.⁹ The government quickly dispatched 90 officers of the People's Armed Police to the mine and kept them there for a week in order to prevent "disturbances."¹⁰

Han Dongfang and the *China Labour Bulletin* (CLB) began interviewing Wanbao miners and their relatives the day after the fire. They quickly discovered that, for the three months leading up to the fire, the miners and the company had been locked in a bitter fight over unpaid wages. Many miners were owed the equivalent of two years of back pay, and they were frustrated and furious. They also believed that employer mismanagement and malpractice, including embezzlement, had plunged the mine into financial



Independent researchers estimate that about 1 million miners have contracted silicosis ... Tragically, these statistics reflect the standard profile of industrial health and safety conditions in China today.

difficulty. In these circumstances, the mine director was lucky to escape with his life.

Hard Work for No Pay

On December 1, five days before the fatal fire, 300 Wanbao miners walked off the job, demanding that their employers pay long overdue wages. On December 9, one of the mine's office workers described how a visit by provincial officials had reignited the protest.

WANBAO OFFICE WORKER: There are so many people suffering from unpaid wages! We still have a strike situation going on here. We're getting on with our work, and we have officials down here trying to sort out the situation. Things are gradually calming down. The collective petitions started up again because top provincial government leaders and mining bureau officials are in town. There really are a lot of workers here with petitions! Yesterday there were about 300 people from the Red Flag No. 2 shaft. They went to the Emergency Rescue Command Office and the Wanbao Mine Hotel. They were promised a temporary solution of a month's [back] wages and another two months' wages before the New Year.¹¹

An employee from the no. 2 shaft reported that the December strike was a spontaneous action: all the "face workers" (those who work underground) walked out after talking together in the locker rooms while get-

ting ready for their shift. The "surface workers" (those who work above ground) supported the strike because nearly every miner had worked for long periods without pay since 2000. During the strike, the mine managers sent team leaders down into the shafts to maintain production.

WANBAO MINER: There are a few going to work but not many.

HAN DONGFANG: Who are the people still going down the shaft?

MINER: The team leaders, not ordinary workers!

HAN: They're all team leaders?

MINER: About 20 in all.

HAN: Are there any signs of the striking workers going back to work?

MINER: That's hard to say.

HAN: What are their conditions for returning to work?

MINER: There are no conditions as such. They just want the money owed to them! We are owed money here as well. In the last three years, since 2000, 13½ months of wages have not been paid.

HAN: They owe you 13½ months of wages?

WORKER: Correct.

HAN: Do the surface workers support or oppose the strike, or are they neutral?

WORKER: They support it.

HAN: Has there been any concrete solidarity action?

In nearly all cases of strikes and labor protests in China, it's only when repeated petitioning fails to get a sympathetic hearing from the government that disaffected workers resort to more desperate acts. This was true for the Wanbao miners.

WORKER: The workers are not organized like that. The action going on now happened after everyone discussed it in the locker rooms when they were getting ready to go to work. It was spontaneous. Nobody organized it.

HAN: Have there been any strikes like this in the past?

WORKER: Never. This is the first time. They just want the money they worked for.¹²

The retired father of a face miner at Wanbao explained why his son was among the 300 miners who joined the strike.

RETIRED WORKER: For sure [he joined the strike] There was no way he wouldn't join the strike! No one is working, and you can't do much on your own down there, can you?

HAN DONGFANG: How long has the mine been in wage arrears?

WORKER: They've been holding back up to six months' wages every year since 1998. Some guys are owed 18, 19, and even 20 months' wages.¹³

The retired worker reported that even pensions had been in arrears for six years. He blamed embezzlement for the mine's shortage of funds.

RETIRED WORKER: The mine was holding back pensions before that. They should have been paying their [monthly] contribution of RMB 50 [\$6]. They even deducted RMB 14 [\$1.70] from a subsidy we were getting. They owe us 10 months [of that].¹⁴

HAN DONGFANG: How many months have they held back the RMB 50 [\$6]?

WORKER: Six years already!

HAN: What reason do they give?

WORKER: [They say] the mine is inefficient.

HAN: Is it really inefficient?

WORKER: No, that's not the reason. It's all down to embezzlement. The mine director is the first one to get his snout in the trough!

Like workers elsewhere, the Wanbao miners tried repeatedly to petition government authorities to look into their complaints. They began in 1995 and, after

seven years, had gotten nowhere. The miners had to raise money to pay for their representatives' traveling expenses for each "petition expedition" (*shangfang*). They eventually ran out of money as well as hope.

RETIRED WORKER: The last petition visit to the provincial government that we went on was this April [2002]. Every time, people at the Information and Complaints Office told us, "it's no use even if you go petitioning Beijing. Your petition papers would still be passed back to this provincial office. We would then still send them back to your mine."

In nearly all cases of strikes and labor protests in China, it's only when repeated petitioning fails to get a sympathetic hearing from the government that disaffected workers resort to more desperate acts. This was true for the Wanbao miners.

MINER: We've petitioned the authorities about it countless times. No one takes any notice.

HAN DONGFANG: Which department did you petition?

MINER: The provincial anticorruption bureau and party disciplinary committee. In the end, they passed the information over to the Wanbao mine. Just today we went to the mine to talk to the bosses. We heard that provincial leaders had arrived, but we didn't get to see anyone.

HAN: When did you go?

MINER: This morning. I've just got home.

HAN: How many of you went?

MINER: There were 10 of us. We mainly wanted to hand over some evidence to the relevant leaders. This management has brought Wanbao mine to its knees. They're telling us it's because the mine is inefficient, but they still siphon off millions in cash. The mine is supposedly inefficient and the boss is driving around in a luxury car worth a fortune. What kind of logic is there in that? Where's the justice when we workers are barely getting enough to eat and that lot is cruising around in luxury cars?¹⁵

Solidarity and Reprisals

Unpaid wages were not just a miners' problem. On December 9, 2002, three days after the Wanbao Coal Mine fire, hundreds of striking primary and secondary school teachers joined the miners picketing in front of the local hotel where the provincial officials from the coal mining bureau were staying. Both sets of workers demanded action on unpaid wages. The mine bureau officials then promised the protesters that a month of wages would be paid to everyone immediately and that another two months would be paid before the Chinese New Year.¹⁶

In the opinion of a teacher from Wanbao Coalmine Secondary School No.1, it was only natural that the miners were protesting:

TEACHER: The miners can barely get enough to eat.

HAN DONGFANG: The miners can barely get enough to eat?

TEACHER: Yes, damn it! People's lives are getting more difficult, No one gets paid year after year. The face miners and the school don't receive any payments.¹⁷

A shop owner in the mine area claimed that the lives of the workers were very difficult. Her business, too, was suffering, but nevertheless, she supported the workers' strike.

SHOP OWNER: People can't live any longer without salaries. Only strikes can be of some help to them.¹⁸

An employee in the control office of the Wanbao mine expressed similar sympathy for the strike.

HAN DONGFANG: Are they all on strike?

CONTROL OFFICE EMPLOYEE: Yes. There is no coal being mined right now.

HAN: So production at the no. 2 shaft has come to a halt?

EMPLOYEE: That's right.

HAN: For how long?

EMPLOYEE: Six or seven days. The workers here are just trying to get by.¹⁹

The Wanbao miners had begun their organized protests three months before the fire with a strike in September 2002. According to a relative of one of the strikers, the surface miners demanded payment of their wage arrears. Five miners were reportedly punished for organizing the industrial action. One was fined RMB 280 (\$35). Another, who was a Communist Party secretary at the mining company, was dis-

missed for his part in the strike. These reprisals were management's response to the strike.

The miners' anger about management's actions continued to build and finally erupted the day of the fire when the workers beat up the mine director.

RELATIVE OF A MINER: Those officials are rich, and people here complain a lot about how the officials spend their money. Oh, we are very angry! I am angry. I couldn't make it there when they beat up the mine director. Otherwise I would have given him my punches, too. This really makes me angry. The wages have been embezzled, and those who get a million yuan by fraud don't get any punishment. Who cares? Who can deal with this? There are those [managers] who embezzle tens of million yuan and [government] officials who also run their own factories. Who cares? If the provincial officials really care, they [the embezzlers] will simply settle the issue with a bribe of RMB 100,000 to 200,000 [\$12,078 to \$24,154]. Who still cares?²⁰

“Reaching Out” to the Victims' Families

After three months of protests and then the death of 30 miners, officials of the local and provincial governments had one primary concern: to suppress future unrest. An employee in the administrative office of Wanbao Coal Mine reported that the provincial mining authority set up 30 task forces after the fire to carry out “ideological persuasion.” Each task force was charged with handling the family of one victim. The local branch of ACFTU, the government-controlled trade union, also participated in the task forces. But, according to the Communist Party secretary of the mine office, ideological persuasion failed to calm down the miners.

PARTY SECRETARY OF THE MINE OFFICE: Thirty deaths were confirmed. Task forces are being formed to deal with the aftermath of the accident. There are 30 of them.

HAN DONGFANG: How is the situation now?

SECRETARY: Not good. No breakthrough, no progress at all. You know our mining company is not in good shape financially and has been in wage arrears all these years. Some work units have not paid the workers for a total of 23 months. The total sum of the company's wage arrears is RMB 16 million [\$2 million]. Thus, ideological persuasion no longer works. The task forces have to deal with issues like picking up the victims' families, arranging for the families' living. That includes providing coal, food, and daily necessities to those families with financial difficulties.²¹

One miner recounted how management tried to isolate the injured miners and the families of victims in an attempt to prevent them from taking action.

MINER: I live right in front of shaft no. 7, very close to it.

HAN: What is the scene like today?

MINER: Well, smoke is still coming out of the pit.

HAN: Are you working in the coal mine?

MINER: Oh, I work in the cement factory, but the neighbor behind my house is one [of the dead].

HAN: Who is the victim in that family?

MINER: The husband of the family.

HAN: How old was he?

MINER: Fifty-something. No one is at home at the moment. No settlement has been made, and they are all staying at the Wanbao Guesthouse.

HAN: Are all of the victims' families staying in the Wanbao Guesthouse?²²

MINER: Some are in the guesthouse, some in the hospital wards, some at other hostels. The reason? [The mining company] doesn't dare to put them together for fear that they would organize against it.

HAN: Against whom?

MINER: The company management. The victims' families would talk about it for sure if they were together.

HAN: Was that the reason the government and the mining company had to separate them?

MINER: Right, exactly. They are all separated. Some live here, some live there, either in hospital wards, hostels, or the guesthouse.

The manager of the Wanbao Guesthouse confirmed that the government was housing the families in separate accommodations in order to prevent them from mounting a collective effort to bargain for compensation.

HAN DONGFANG: Then why put them in hostels? They could just stay at home, couldn't they?

GUESTHOUSE MANAGER: Staying at home, with the deaths in the accident—they would discuss it with each other. You know, they would stir up trouble if they were together.

HAN: So is it because they [the authorities] worry about them doing something together?

GUESTHOUSE MANAGER: Yes, it is exactly the point.²³

At the time this chapter was written, no information on the outcome of the Wanbao coal miners' struggle was available.

Conclusion: the Sleeping Power of China's Coal Miners

Since the Industrial Revolution, coal miners have played a key role in the struggle for workers' rights and a decent life — from the protests in the coal mines of 19th-century France, to Mao Zedong and the Anyuan surface miners' strike in 1922, to John L. Lewis and the United Mineworkers' struggles in the United States in the 1930s, to the 1981 coal miners' strike in Katowice, Poland against the declaration of martial law. The backbreaking difficulty of their work, the toxic environment, and the ever-present threat of injury and death have pushed coal miners around the world to take a leading role in militant action.

China's reliance on coal today gives the miners great potential power, which is unlikely to diminish. Experts estimate that China will continue to rely on coal for at least half of its energy for the next 30 to 50 years. In this context, the government keeps a sharp eye on the mining sector. It is acutely aware of the active role of coal miners in the overthrow of communist regimes in the Soviet Union and Eastern Europe. Until now China's rulers have mostly fallen back on reform rhetoric and piecemeal action to deal with coal miners' unrest, but the industry remains a festering problem.

The dogged struggle of the Wanbao miners and the continuing unrest in China's mines are reminders to the regime that if the country's three million coal miners ever take to the streets as the Wanbao miners did, the outcome is unpredictable.

¹ Xing Zhigang, "China's mining sector sounds the alarm," *China Daily*, December 3, 2004, http://www.chinadaily.com.cn/english/doc/2004-12/03/content_397152.htm.

² BBC, "China spends on coalmine safety," March 7, 2005, <http://news.bbc.co.uk/1/hi/business/4325427.stm>.

³ Eva Cheny, "China: Behind the horrific mine tolls," *Green Left Weekly*, March 9, 2005, <http://www.greenleft.org.au/back/2005/618/618p19.htm>.

⁴ Xing Zhigang, "China's mining sector sounds the alarm," *China Daily*, December 3, 2004, http://www.chinadaily.com.cn/english/doc/2004-12/03/content_397152.htm.

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⁷ Mai Tian, "Fatal results of fuel fury in China," *China Daily*, December 12, 2004, http://www.chinadaily.com.cn/english/doc/2004-12/12/content_399510.htm.

⁸ Ibid.

⁹ *China Labour Bulletin (CLB)*, "Family blame illegal operation, corruption as causes of mine accident," December 12, 2002, <http://gb.china-labour.org.hk/gate/gb/big5.china-labour.org.hk/ibase644-base12-L3B1YmXpYw~/base12-Y29udGVudHM~/base12-YXJoaWNsZQ~-base44-cmV2aXNpb24lNWZpZDooNzIyJmloZWolNWZpZDooNzIx>.

¹⁰ Ibid.

¹¹ *CLB*, "Trying to get by — 400 Wanbao miners strike against wage arrears," December 9, 2002, http://www.china-labour.org.hk/iso/article.adp?article_id=3646.

¹² Ibid.

¹³ Ibid.

¹⁴ *CLB*, "Family blame illegal operation, corruption as causes of mine accident," December 12, 2002, <http://gb.china-labour.org.hk/gate/gb/big5.china-labour.org.hk/ibase644-base12-L3B1YmXpYw~/base12-Y29udGVudHM~/base12-YXJoaWNsZQ~-base44-cmV2aXNpb24lNWZpZDooNzIyJmloZWolNWZpZDooNzIx>.

¹⁵ *CLB*, "Trying to get by — 400 Wanbao miners strike against wage arrears," December 9, 2002, http://www.china-labour.org.hk/iso/article.adp?article_id=3646.

¹⁶ *CLB*, "Jilin Wanbao Coalmine disaster," December 9, 2002, <http://gb.china-labour.org.hk/gate/gb/big5.china-labour.org.hk/ibase644-base12-L3B1YmXpYw~/base12-Y29udGVudHM~/base12-YXJoaWNsZQ~-base44-cmV2aXNpb24lNWZpZDooNzIyJmloZWolNWZpZDooNzIx>.

¹⁷ *CLB*, "Wanbao Coal Miners Killed and Owed Wages in Jilin Province," December 7, 2002, http://www.china-labour.org.hk/iso/article.adp?article_id=3644.

¹⁸ Ibid.

¹⁹ *CLB*, "Trying to get by — 400 Wanbao miners strike against wage arrears," December 9, 2002, http://www.china-labour.org.hk/iso/article.adp?article_id=3646.

²⁰ *CLB*, "Wanbao Coal Miners Killed and Owed Wages in Jilin Province," December 7, 2002, http://www.china-labour.org.hk/iso/article.adp?article_id=3644.

²¹ *CLB*, "The Logic Behind 'Separating the Victims' Families for Better Settlement,'" December 9, 2002, http://www.china-labour.org.hk/iso/article.adp?article_id=3673.

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Teachers Protest Broken Promises

Summary

TEACHERS HAVE TRADITIONALLY ENJOYED great respect in Chinese society because they belong to a revered group — the intelligentsia.¹ Yet their elite social status hasn't brought them economic rewards. Teachers in today's China earn low wages, and the very worst paid are those who teach in small towns and villages as opposed to cities.

There is a vast quality gap between rural and urban education in China. Rural teachers lag in professional qualifications, level of pay, and working conditions. Huge arrears in salaries are common. Teachers in remote rural areas receive as little as RMB 99 (\$12) a month. Local funding of education puts schools and teachers at the mercy of corrupt local officials, many of whom have other priorities, including lining their pockets. Because some officials charge parents school fees, some poor children don't attend school. Some local officials have put children to work in school to raise funds.

The central government of China has announced on several occasions its concern about inequities and unrest in rural areas and the low status and pay of rural teachers. It has said that in the future wages for rural teachers may be included in the national budget.

After economic restructuring began in the 1980s, teachers were among the first to lose both their steady wages and many insurance benefits. Beijing slashed subsidies to local governments, and local officials in turn slashed teachers' pay. Under the banners of decentralization and liberalization, the central government transferred control of state-run schools to local authorities and renamed them "community schools."² This meant a large number of teachers in the former state schools lost their jobs, only to be rehired as community school teachers at much lower pay and often without any pension protection.

Economic hardship and broken contracts have driven teachers across the country to protest and strike for better contracts and their back pay. Some

of them have also tried to organize independent teachers' unions, but the government quickly crushed fledgling unions. In other state-owned sectors, most protest leaders have been older workers. By contrast, the leaders of the teachers' campaigns have been all ages — from teachers in training to experienced teachers to retirees.

This chapter describes several of the teachers' protests. The information is often sketchy, but it still offers a rare glimpse of how the better-educated, white-collar workers of an important economic sector have tried to organize. The teachers' own words convey the bitterness that the government caused when it broke one promise after another to members of this once-esteemed social group.

Education in Dire Straits Despite Economic Boom

Basic education appears to be another area which has not quite kept pace with the double-digit economic growth of China since the 1980s. In 2001, the education budget was only 3.19 percent of the China's gross domestic product (GDP), according to government estimates. It remains at that level today, despite vows by regime leaders to raise it.³ The average education budget in the world is around five percent of GDP. The other irony was that, while many school teachers suffered wage cuts and arrears, parents of school children have been faced with sharp rises in school fees. Many Chinese studies have identified the problem of rising "miscellaneous charges" by local schools to fill in the financial gap left by the with-

drawal of government funding. One official study reported that primary schools in 163 counties in 2004 were entirely funded by their own school incomes, with zero government funds, despite the fact that nine-year free and compulsory basic education is protected by the 1995 China Compulsory Education Law.⁴

As a result, despite promises of and legal protection for free nine-year education, parents of these school children had to pay at least RMB 1,000 (\$125) a year in miscellaneous charges. Some reports give a much higher figure of RMB 2,000-3,000 (\$242-362) a year.⁵ This sum was close to the minimum wage of many low-paid workers and often was equal to the household annual income of poor rural families. The costs of higher education were even higher, far beyond the reach of most low-income households. The combination of high school fees and loss of incomes have driven many poor farmers to take their children out of school and often send them out to work to earn money.⁶ There have been numerous stories of children working in hazardous fireworks factories and as part of other migrant workforces, under extremely appalling conditions.⁷

Local schools in poor regions and villages have also been put under acute financial pressure to find alternative funding sources to government coffers — hence the rising tuition and other school charges.⁸ There have been many reports in the Chinese media of schools being forced to sell off buildings or land in order to raise income from rents or to conform to local reforms in land management.⁹ More outrageously, many schools have reportedly forced their pupils to work at the school premises to earn income for the schools.¹⁰ One of the most horrendous stories was reported in 2001, when an explosion in a “fireworks workshop” at the Fanglin village school in Wanzai County in Jiangxi Province killed 60 primary school children and three teachers.¹¹

The root cause of these problems of high tuition fees, high dropout rates, declining enrollment and number of schools lies primarily in the rolling back of funding from the government to schools. The terms of employment of teachers have fallen victim to this state policy.

Becoming a “Community Teacher”

In 2000, 12 million teachers in China had responsibility for the immense student population of 244

million at all levels of the educational system. The government divided teachers — just as it divided industrial workers — into categories that determined pay and general treatment.¹² Teachers employed at locally-run or lower-level schools, such as township schools and primary schools, were called *minban* (“community-run”) teachers; they received a lower level of training and certification. Teachers employed by city schools or higher-level schools were called *gongban* (“state-run”) teachers. They received a higher level of training and certification as well as greater status, better wages, more job security, and full pensions. When the Chinese government spends money on education, or anything else, cities almost always take precedence over towns and villages.¹³

Local authorities in towns, villages, and districts set up and ran the community schools; some were collectively-owned local enterprises. These schools were typically small, as well as poorly funded. After the introduction of market reforms in the 1980s and the decentralization of the state bureaucracy, state schools were turned into community schools, and overall funding for education dropped. A large proportion of China’s school children had no option other than a community school. Their teachers earned much less than teachers in the remaining state schools, and, unlike state teachers, they didn’t qualify as members of the national civil service. Within the civil service, however, there was yet another hierarchy in which, once again, teachers had low status. When the central government was strapped for cash, other civil servants were usually paid before teachers.

In the 1990s, Beijing announced a national drive to enable community teachers to get the training and certification they needed to become state teachers. In 1993 the government passed the Teachers’ Law whose stated objective was to protect the rights and entitlements of teachers. Then, in 2000, the government announced that it would phase out the dual classification of teachers.

As so often happens in China, reality didn’t measure up to the government’s rhetoric. The Teachers’ Law, like other laws, wasn’t enforced. The majority of community teachers haven’t been upgraded, and this unfulfilled promise has become a main source of their frustration. Because teachers lack effective union representation, they have resorted to frequent wild-

cat strikes and street protests to pressure local authorities to respond to their demands. They have used the provisions of the Teachers' Law as key arguments in asserting their legal rights.

Out of the Classroom, into the Streets

In China, September 10 is National Teachers' Day. Teachers often mark the date by going on strike, or holding protest demonstrations, rather than celebrating satisfaction with their profession. On September 5, 2001, for example, several dozen teachers at the community school for China No. 1 Heavy Machinery Corporation in Qiqihaer City (Heilongjiang Province) organized a four-day strike and marched to the local government offices to demand three months of unpaid wages.¹⁴ At the end of the strike, the principal of the school made it clear that the militant teachers would suffer the consequences.

PRINCIPAL OF SECONDARY SCHOOL NO. 2: The principal of our Secondary School No. 4 [where the strike took place] has told those teachers who have apologized for their error [the strike] that he wants them to work doubly hard in order to compensate for their mistake. As for those teachers who still want to continue their fight or participate [in the strike], the corporation and the school will take measures so that their positions and promotions will be affected.¹⁵

Another spike in the number of teachers' protests occurs in December, when all levels of government typically run out of money and stop paying wages. In December 2002, for example, 100 retired teachers in Pizhou City, Jiangsu Province, organized street demonstrations to demand back wages. The mayor reportedly met with the demonstrators, but he failed to respond to their demands.¹⁶ In December 2003, more than 800 community teachers in Leizhou City, Guangdong province, held a three-day street demonstration in front of the city government building to protest unpaid wages equivalent to as much as 12 months of pay. The administrators of a teacher training program actually led the protest and succeeded in meeting with the mayor and the head of the education department, but the police then used force to disperse the crowd. They injured one pregnant protester who later suffered a miscarriage. After the December demonstration, the city government agreed to administer a recruitment exam for the city's 1,060 teachers from training colleges and tertiary-level insti-

tutes. But they informed the protest leaders that, as punishment for their role in the strike, they would not be employed as state teachers even if they passed the exam.¹⁷

Downward Mobility in Suizhou

From November 4-7, 2003, hundreds of teachers from dozens of community schools in the city of Suizhou, Hubei Province, rallied outside the city government offices to demand upgraded status as state school teachers. They had been waiting for the government to fulfill this promise since 1996. The government had reportedly pledged to transfer 3,000 Suzhou community school teachers to positions in state schools.

Many of the protesters were former state school teachers who had been laid off and then re-hired by the local authorities as community teachers for much lower salaries. Some teachers received monthly salaries of only RMB 200 (\$25) — one-quarter of the salary of a state teacher. The government had agreed to give some of the teachers a severance payment for each year they had taught in a state school, but teachers who were laid off and rehired in 2002 had received only half of what they were owed. The protesting teachers were also demanding that the monthly pension benefits for retired community teachers increase from less than Rmb 200 (\$25) to at least RMB 350 (\$42).¹⁸

At the high point of the protest on November 5, the number of teachers camped outside the municipal offices soared to more than 2,000. The protesters hung banners and placards around the government building and staged a round-the-clock demonstration for two days until it was broken up by the police. One banner displayed the words of Communist Party leader Hu Jintao: "Repeated complaints should be considered." One placard read, "No matter how adverse the circumstances are, education should not be sacrificed. Community school teachers should not be sacrificed."¹⁹

A primary school teacher who had been dismissed and then rehired in 2003 in the Zengdou district of Suizhou reported that the teachers received only half of their severance pay even after petitioning the city government repeatedly:

TEACHER: I'm a primary school teacher. I've been teaching for nearly 20 years. After being laid off, I

In China, September 10 is National Teachers' Day. Teachers often mark the date by going on strike, or holding protest demonstrations, rather than celebrating satisfaction with their profession.

returned to the school to teach for two years. When we were dismissed, they said we would have a severance allowance. Yet we haven't gotten the money. In recent years, the teachers waged sit-ins at the District Government several times. Then the leadership paid attention to us. Community school teachers like us then went to the village government to ask for payment. The village government agreed to pay half of the allowance — that is, RMB 1,400 [\$169]. The other half hasn't been released yet. They promised to settle it next year.²⁰

Like blue-collar workers, these “downgraded” teachers generally felt bitter and let down by the government.

TEACHER: It's easy to explain why the teachers are so united. It's safe to say that teachers have their own reason to be so. It's because now, I think, if you ask teachers about what they feel, most would tell you that they feel hurt. They all feel very miserable now. Another reason is that they have made great efforts in their own profession.²¹

In most cases, the government's Education Bureau had responsibility for managing teachers. In the schools themselves, teachers came under the jurisdiction of the Communist Youth League. But when community teachers organized street protests, they were often dealt with by the same government bodies that dealt with other kinds of social and labor disputes.

At one point during the Suizhou protest, local government officials held a negotiation session with the community teachers that lasted several hours. Neither the municipal Education Bureau nor the municipal teachers' trade unions were represented, although they should have been the parties negotiating. An official from the city's Petitions and Complaints Office stated that local authorities alone could not meet the teachers' demands because community school teachers nationwide shared the same problems, while the central government had no clear plan to resolve the issues. According to this official, the teachers organized their negotiations in a fairly orderly way.

COMPLAINTS OFFICE OFFICIAL: And they are very orderly. Comparatively speaking, the community schoolteachers are well-behaved. They're usually well-behaved. ... They've chosen their representatives, and we are talking to them.

HAN DONGFANG: How did they choose their representatives?

OFFICIAL: The representatives are chosen by recommendation. Yesterday every town and village recommended a representative for the negotiations. There are 35 towns and villages. Each town and village recommended one.²²

Despite the negotiations, the local government sent about 30 police officers and several vanloads of government officials to remove the demonstrators by force and escort them back to their homes. The government instructed school principals to hold the teachers' representatives in strict isolation in each school building. By November 7, the number of teachers who continued to demonstrate had dropped to about 100.

TEACHER: The city government instructed the Public Security Bureau to send 30 or 40 officers. The local leaders, village chiefs, and party secretaries from each village sent in more than 10 people with vehicles. They dragged them [the protesters] into the vehicles. In this way, they kept the teachers away from the protest. ... They are keeping the teachers apart, one teacher for each village or town. It is reported that the government will arrest those who organized the protest. Now the teachers are kept apart, and each town is responsible to keep them in custody.

HAN: Now they are all kept in custody?

TEACHER: Right. It is the responsibility of the village or town head to do this.²³

Government officials admitted that there were simply no funds available for even the legally required severance and pension payments. Some of the state-owned enterprises that had employed the teachers had gone bankrupt and left no money to meet these obligations.

HAN DONGFANG: According to the labor regulation, isn't it true that the employer should pay for the employee's retirement insurance?

COMPLAINTS BUREAU OFFICIAL: That's true. But in some case, the lowest levels of the government are in difficulty. In other cases, the enterprise doesn't pay for it because they don't have money.²⁴

Petitioning in Leshan

Although teachers have often succeeded in winning partial payment of back wages, their demands regarding employment status and career development have rarely met with success. When they have tried to bargain collectively, local governments and school authorities aimed their reprisals at the teachers' leaders and representatives. Since it's not uncommon for an activist's job to be in jeopardy, employed teachers often ask retired colleagues to act as their representatives in negotiations and petitioning.

In April and May 2006, a group of teachers from the city of Leshan in the midwestern province of Sichuan reported on their struggle to the *China Labour Bulletin*. Some 2,400 teachers in the city's Qingcheng County had tried numerous times over the course of nearly two years to bargain collectively for unpaid wages. Although most of these teachers were still working, they asked retired colleagues to act as their representatives in a petition campaign.

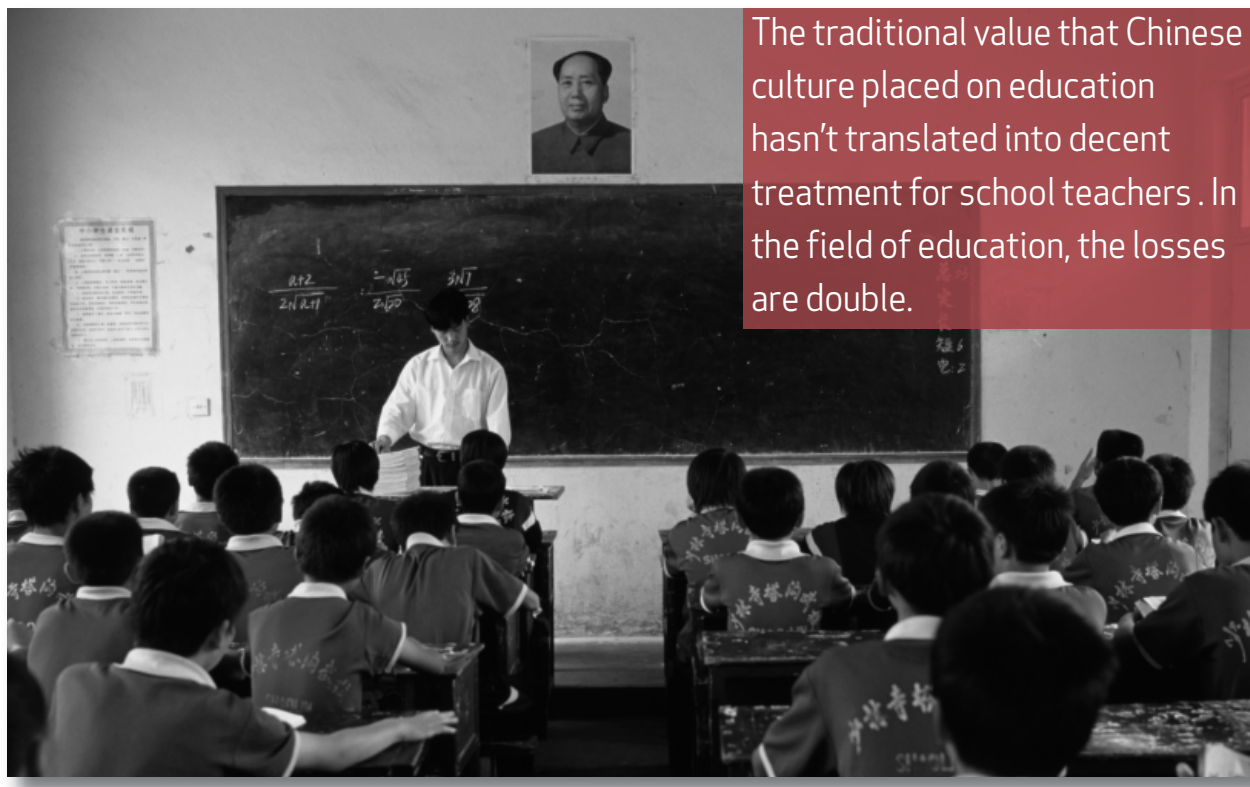
RETIRED TEACHER: Those teachers who are currently employed only signed their names at the bottom [of the petition], and they contributed a little to travel expenses. It's mainly travel expenses. In fact, they're afraid that we retired teachers won't get into this, so recently quite a few teachers have come forward and said, "I have no money. We've all contributed some funds. You go to Beijing and petition on our behalf, and we will all contribute some funds to that."

HAN DONGFANG: So the teachers who are still working now really want you retired teachers to continue [the campaign]?

TEACHER: Because they don't dare come out [openly].²⁵

The teachers reported that school authorities had been subtracting both an inflation subsidy and a welfare benefit from their paychecks since September 2004. The total of unpaid wages for each of the 2,400 teachers since 1994 was very high: about RMB 10,000 (\$1,250). In order to get these back wages, the teachers had sent numerous written petitions to the local and provincial governments; next they sent representatives to deliver petitions in person. They even had a number of local legislators writing on their behalf.

TEACHER: We sent our petition letters, signed by delegates to the National People's Congress (NPC) and the Chinese People's Political Consultative Committee (CPPCC) because there were delegates among the teachers.



The traditional value that Chinese culture placed on education hasn't translated into decent treatment for school teachers. In the field of education, the losses are double.

HAN DONGFANG: Are they delegates to the county NPC?

TEACHER: They're delegates to the county NPC and CPPCC. Still no solution [to the problem].

HAN: Where did you send your petitions to?

TEACHER: To the Qingcheng County government, but with no results.

HAN: Did you send [the petitions] to higher levels?

TEACHER: We did send to higher-level departments after last October [2005].

HAN: Where?

TEACHER: To [the city of] Leshan, and also the provincial government of Sichuan.

HAN: Were all these representations made by the delegates to the county NPC and CPPCC among you?

TEACHER: Yes, we had NPC and CPPCC delegates among us. But, more importantly, they were all retired teachers because working teachers would be investigated and even receive threats if they joined.

HAN: Have they been threatened?

TEACHER: Yes. The Education Bureau threatened the headmasters, and the headmasters threatened the teachers.

HAN: What kind of threats?

TEACHER: They told you not to join and to give up [the campaign], and that if you joined, your work would be affected and you would be fired etc. [They threatened] all kinds of means [of punishment].²⁶

After the government failed to respond to any of their petitions, the teachers decided to stage a demonstration in November 2005. They gathered 500 signatures and filed an application with the county Public Security Bureau, but their application was denied.

HAN: When did you apply to hold the march?

TEACHER: We filled out an application for a march and demonstration on November 4 last year.

HAN: Who did you apply to?

TEACHER: To the Qingcheng County Public Security Bureau.

HAN: What reason did you give for the march?

TEACHER: The reason was that the national welfare assistance payment was deducted [from our paychecks]. We asked for it back, but they refused to give it to us. The government also did not explain why it was doing this, and we don't agree with that, so we applied to stage a march and demonstration. We collected more than 500 signatures for that application, the names of 500 teachers in Qingcheng County. In 1994, the People's Government of Qingcheng County asked all teachers to help the government raise funds by contributing their national assistance payments. The Personnel Bureau of Qingcheng County asked the teachers to raise the funds. But this method is

against national regulations on this kind of matter.

HAN: You're saying that this was the content of a letter sent by the county government in 1994?

TEACHER: There is document No. 70 which is still there in the Personnel Bureau. But we will not obey it. We are also following section 22 of Chapter 40 of the Teachers' Law. "Teachers' local supplementary payment and all remaining allowances are considered part of one's salary. The source of the funds for these payments should be the same as the expenses' payment for civil servants." So we demand that if civil servants are getting this payment, then we should receive it. We put all of this in the application for the demonstration. The method we're using is a peaceful protest.

HAN: Which route did you specify in the application?

TEACHER: It was just several roads within the city limits. We applied to hold it [the march and demonstration] from 10 to 12 o'clock in the morning on November 12, 2005, but it wasn't approved.

HAN: What was the reason for not approving it?

TEACHER: It [the answer] was from the Qingcheng County Public Security Bureau. They said the reason for not approving this action was that it would have an impact on public safety and disrupt social order. They believed that our march would have a direct negative impact on public safety and disrupt social order.²⁷

The teachers demonstrated a thorough knowledge of their rights under the Teachers' Law, yet their cause was still lost.

HAN: Did you put forth an objection to the Public Security Bureau's decision?

TEACHER: We followed the Law on Assemblies, Processions, and Demonstrations and applied to the People's Government of Qingcheng County for an administrative review of the decision, but they still didn't approve it. The administrative review supported the decision of the Public Security Bureau in its "Refusal to grant permission for the Qingcheng County teachers [demonstration], which would harm the Qingcheng County Public Security Bureau."

HAN: So did you take it any further? For example, did you lodge a lawsuit with the People's Court against the decision of the administrative review?

TEACHER: We didn't lodge an administrative suit because our goal was to get the government to take this matter seriously and make a decision on the matters that we were raising. In the past, regardless of what the issue was, they never paid any attention to us.²⁸

The teachers ignored "conventional wisdom," and said that they wanted to learn from the rural migrant workers about making wage demands.

HAN DONGFANG: In your application, did you say which slogans you would use, the kinds of pamphlets that you would be handing out?

TEACHER: We have some slogans.

HAN: What are they?

TEACHER: The first slogan was “Learn from the rural migrant workers. You’ve got to demand your own wages. Uphold the legal rights of teachers.” The second slogan was “It’s heaven’s will that rural migrant workers can recover what’s owed them. Our teachers’ demands are no different.” The third slogan was “You speak of justice, you speak of harmony. Give teachers back their retirement funds.” The fourth slogan was “Qingcheng County [was] named one of the nation’s most progressive. Why then are teachers’ wage supplements still unpaid?” The fifth slogan was “Have we entered a prosperous community? Then why aren’t teachers’ wages paid in full?” The sixth slogan was: “We will never rest until we get this supplement back in our pay packet.” At first those in the Public Security Bureau who studied the application said there was no reason why they shouldn’t approve the teachers’ application. But the government would not allow them to do this, so they couldn’t do anything. So then they decided that the march would harm public safety and social order.²⁹

A Sit-in in Yunnan Province

On May 10, 2006, more than 700 retired teachers from state-run kindergartens in Yunnan Province organized a sit-in in front of the main entryway into the provincial government building. They were demanding pension payments at the standard level for civil servants and equal to those of primary and secondary school teachers. Kindergarten teachers from every school in the province that had been associated with a former state-owned enterprise sent representatives to this peaceful protest.³⁰ During the sit-in, one of the retired teachers spoke to Han Dongfang.

HAN: Are you all still in front of the government office building?

RETIRED TEACHER: We’re still here. We all gathered here at eight o’clock this morning.

HAN: Hasn’t anyone from the government spoken to you?

TEACHER: No. No one has come out to talk. Five of our representatives went in to talk. They went in and then came out. They were chased out.

HAN: How many teachers are there altogether at the door?

TEACHER: There’re more than 700.

HAN: Are they all just sitting there, or are they doing anything else?

TEACHER: They are all sitting in front of the main door. In the beginning, we were all by the side of the road, but because they won’t meet with us, we’ve moved to sit in front of the main door. Now there is someone trying to disperse the demonstrators because there are a lot of people going to work and there are a lot of onlookers.

HAN: So no one can go in or out of the main door of the government building?

TEACHER: That’s right. They’re all retirees, and the oldest one participating today is nearly 80 years old.³¹

For two years prior to the sit-in, 3,000 retired kindergarten teachers in the province had been fighting to raise their monthly pension payments. They calculated that if the authorities were to implement the Teachers’ Law properly, the additional money per month for each retiree would range from RMB 300 (\$36) to RMB 600 (\$72). The amounts might look small, but they actually represented an increase of 50 percent in teacher pensions, which ranged from RMB 600 to RMB 900 (\$72-\$109).

The following account reveals the inconsistencies and discrepancies among Chinese laws and government directives.

RETIRED KINDERGARTEN TEACHER: The central government’s Document No. 9 was issued the day before yesterday. The Teachers’ Law was originally to include all teachers employed by state-owned enterprises, kindergarten teachers, vocational and technical teachers. The primary and secondary teachers’ situation has been resolved. Only that of the kindergarten and vocational and technical teachers remains to be solved. Right now, as regards the whole group, there are about 3,000 kindergarten teachers. There are also about 3,000 vocational and technical teachers. They have sent their representatives here today. If they all came, that would really be something. The Teachers’ Law originally included kindergarten teachers and vocational and technical teachers, but then the Yunnan provincial government issued Statement No. 88, which excluded kindergarten teachers and vocational and technical teachers.

HAN DONGFANG: If Document No. 9 is implemented across the board, how much do you expect your monthly wage would rise from the current RMB 900 [\$109]?

TEACHER: It would be raised to RMB 1,500 [\$181].

HAN: How long have you been working on this?

TEACHER: We have been working on this for two years already. This is the largest demonstration we have staged. We are now asking that we be given a clear answer on the principle employed here. What we are asking is, does the law take precedence or Statement No. 88?³²

The government tried to limit information available to the media about the sit-in. An official in the province's Petition Office refused to give interviews to reporters, citing government regulations.

PETITION OFFICE OFFICIAL: When a collective petition has been submitted, we can't give interviews to the media.

HAN DONGFANG: Why?

OFFICIAL: When a collective petition has been submitted, we can't give interviews to the media. That is the Yunnan provincial government's media rule.

HAN: Why do you do that?

PETITION OFFICE: That is the regulation of the Propaganda and Publicity Department.³³

At the time this chapter was written, the outcome of the retired kindergarten teachers' protest in Yunnan Province wasn't known. But the sit-in was remarkable in itself as a sector-wide attempt at collective bargaining for an entire province.

Conclusion: Teachers' Achievement Is Organizing as a Profession

The traditional value that Chinese culture placed on education hasn't translated into decent treatment for school teachers in today's China. The state allocates very limited resources to education, and the greatest proportion by far goes to a small number of elite institutions at the top of the educational pyramid. Economic restructuring has undermined the well-being of workers in all industries, but in the field of education, the losses are double. The teachers, especially elementary school teachers, suffer, and so do their students.

Teachers seem more informed than other groups of workers about their legal rights, and they often organize their protests with meticulous reference to the relevant laws. But their ambiguous social status — between elite professionals and “ordinary” workers — has kept them from developing a strong working-class identity or consciousness. In Chinese culture, teachers are expected to be “reasonable” and “well-behaved” members of society, and this expectation makes them reluctant to use militant, confrontational tactics to fight for their interests. They usually avoid actions such as blocking railroad lines, a strategy that many manual workers use.

Although usually scattered and relatively small scale, industrial and protest actions taken by school teachers in China carried with them a remarkable feature. Unlike almost all other labor protests, the teachers' actions were organized across workplaces in different schools, districts, villages, and sometime even towns (although still within one city). Seen in this light, teachers' protests can be regarded under the category of “industry-wide” labor organizing, as compared to other “community-based” organizing by many blue collar workers.

Teachers as a group remained reluctant to take militant and confrontational actions to fight for their interests. Still, their protests often did help teachers win some immediate gains in payment of wage arrears. Unsurprisingly though, efforts by some to organize independent teachers' unions failed.

- ¹ *China Daily*, “Teachers best regarded in China — survey,” September 11, 2004, http://www.chinadaily.com.cn/english/doc/2004-09/11/content_373538.htm.
- ² Community schools are those schools which are run and funded by local township or village authorities, as opposed to state schools, which receive funding from provincial and central governments as well.
- ³ *China Labour Bulletin (CLB)*, “Teachers and education in China — underfunded and undervalued,” 2003, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=18256&item%5fid=3382>.
- ⁴ *CLB, Survey Report on Child Labour in China*, (Chinese), May 2006, pp. 22, quoting a news report by Guo Shaofeng, <http://edu.people.com.cn/GB/1053/4137234.html>, February 24, 2006.
- ⁵ *CLB, Survey Report on Child Labour in China*, May 2006, p.24.
- ⁶ *Ibid*, pp 18-20.
- ⁷ *CLB*, “Child Labour in China: Causes and Solutions,” November 2003, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=3305&item%5fid=3304>. Also see *CLB’s Survey Report on Child Labour in China*, May 2006.
- ⁸ *CLB, Survey Report on Child Labour in China*, May 2006, pp. 21-24.
- ⁹ *CLB*, “Education in China: a short introduction,” November 2003, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=3299&item%5fid=3298>.
- ¹⁰ *CLB, Survey Report on Child Labour in China*, May 2006, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=38181&item%5fid=38180>.
- ¹¹ *CLB*, “Education in China: a short introduction,” November 2003, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=3299&item%5fid=3298>.
- ¹² *China Daily*, “China has 12 million teachers,” September 11, 2000, http://english.people.com.cn/english/200009/11/eng20000911_50247.html.
- ¹³ *CLB*, “Teachers and education in China — underfunded and undervalued,” January 27, 2004, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=18256&item%5fid=3382>.
- ¹⁴ *CLB*, September 6, 2001, http://big5.china-labour.org.hk/big5/article.adp?article_id=1752.
- ¹⁵ *Ibid*.
- ¹⁶ *CLB*, “Retired Teachers in Jiangsu Marched against Wage Cut,” December 13, 2002, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=2315&item%5fid=2314>.
- ¹⁷ *CLB*, “Teachers’ protests in Guangdong Province violently dispersed,” January 26, 2004, <http://www.china-labour.org.hk/public/contents/news?revision%5fid=18653&item%5fid=5380>.
- ¹⁸ *CLB*, “Up To 2,000 Teachers Protest Against Unfair Work Practices in Suizhou, Hubei Province,” January 26, 2004, <http://www.china-labour.org.hk/public/contents/news?revision%5fid=18366&item%5fid=5410>.
- ¹⁹ *CLB*, “Schoolteachers in Suizhou urge the Government to fulfill its promises — teachers’ representatives face restrictions on movement,” November 7, 2003, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=3323&item%5fid=3322>.
- ²⁰ *CLB*, “1,300 Suizhou schoolteachers launch protests against unequal wages,” November 5, 2003, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=3329&item%5fid=3328>.
- ²¹ *Ibid*.
- ²² *CLB*, “Schoolteachers in Suizhou urge the Government to fulfill its promises — teachers’ representatives face restrictions on movement,” November 7, 2003, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=3323&item%5fid=3322>.
- ²³ *Ibid*.
- ²⁴ *Ibid*.
- ²⁵ *CLB*, “County deducts benefits from Sichuan teachers’ pay (II),” May 2, 2006, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=38465&item%5fid=38440>.
- ²⁶ *CLB*, “County deducts benefits from Sichuan teachers’ pay,” April 29, 2006, <http://gb.china-labour.org.hk/gate/gb/big5.china-labour.org.hk/ibase644-base12-L3B1YmXpYw~-/-base12-Y29udGVudHM~-/-base12-YXJ0aWNsZQ~-/?-base48-cmV2aXNpb24lNWZpZD03MjAzNyZpdGVtJTVMaWQ9NzIwMzY>.
- ²⁷ *CLB*, “County deducts benefits from Sichuan teachers’ pay (II),” May 2, 2006, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=38465&item%5fid=38440>.
- ²⁸ *Ibid*.
- ²⁹ *Ibid*.
- ³⁰ *CLB*, “Retired Yunnan teachers fight for equal pension treatment,” May 10, 2006, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=38383&item%5fid=38382>. *CLB*, “Over 700 retired kindergarten teachers protest to demand for better pensions,” May 11, 2006, <http://www.china-labour.org.hk/public/contents/news?revision%5fid=37808&item%5fid=37807>.
- ³¹ *CLB*, “Retired Yunnan teachers fight for equal pension treatment,” May 10, 2006, <http://www.china-labour.org.hk/public/contents/article?revision%5fid=38383&item%5fid=38382>.
- ³² *Ibid*.
- ³³ *Ibid*.

A Future for the Chinese Labor Movement?

CHINA'S COMMUNIST REVOLUTION was conducted in the name of Chinese working people, but the regime it spawned has proven to be no different than the long line of imperial dynasties which preceded it. It is the rule of the powerful elite, not the people, and it promotes the well-being of the rulers, not the common good of all. After nearly six decades of communist rule, the regime's claim that it represents the interests of ordinary people appears as a distorted inversion of the plain truth.

Through violence and repression, the Chinese state and the Communist Party have kept workers from organizing independent unions and political parties that could represent their interests. Still, despite these ruthless measures, there are thousands upon thousands of labor disputes across China annually, with the number growing each year. Even a report from the government-controlled All China Federation of Trade Unions (ACFTU) estimates that over 300,000 labor lawsuits were filed in 2005 alone, a growth of more than 20 percent over the previous year and an increase of over 9.5 percent during the last decade. In fact, the growth in labor conflicts is now outstripping the unprecedented growth in China's economy.¹ An August 2007 *China Daily* article on the passage of China's new labor law reported that "labor dispute arbitration organizations at various levels dealt with 1.72 million labor dispute cases involving 5.32 million employees from 1987 to the end of 2005, with a growth rate of 27.3 percent annually."² Government statistics considerably understate the true extent of the problem: Labor protests have become a commonplace occurrence in China, and have become increasingly militant.³

This book tells the story of a number of those struggles. It is a testament to the fact that China now has an active and growing labor resistance — albeit a resistance which is not, as yet, organized. Protests and strikes remain largely spontaneous and local in nature, in no small part because the Chinese state has reserved its most brutal repression for efforts to build national labor solidarity, to organize independent

unions and to establish political parties representing the interests of working people. But increasingly there are limits to the efficacy of this repressive strategy. China's integration into the global economy has brought its people more and more contacts and interactions with the rest of the world. There are the stirrings of cultural pluralism and civil society. As the Chinese state strives to meet the demands of global capital for property rights and a rule of law in the economic sphere of trade and commerce, it necessarily creates a small, risky, but very real political space for legal advocacy on behalf of working people.

There is nothing inevitable about the emergence of democracy and an independent labor movement in China. But so long as China remains part of the global economy — and any withdrawal would have catastrophic economic consequences for the country — authoritarian rule will bring diminishing returns. Growing labor unrest, even of a local and spontaneous nature, will raise questions about the sustainability of peaceful economic development. The strategy that is most likely to succeed, over the long term, is the path of democratization, aided by the emergence of an organized, independent labor movement. The men and women whose struggles are chronicled in this book are the pioneers of that movement. They are our inspiration.

¹ *South China Morning Post*, “More than 300,000 labor lawsuits filed in 2005, ACFU survey says,” May 12, 2006.

² *China Daily*, “China to enact law to deal with rising number of labor disputes,” August 27, 2007, <http://english.peopledaily.com.cn/90001/90776/6248381.html>.

³ *China Labour Bulletin*, “Standing Up: The Workers Movement in China, 2000-2004,” <http://gb.china-labour.org.hk/gate/gb/big5.china-labour.org.hk/ifbase644-base12-L3B1YmxpYw~-/-base12-Y29udGVudHM~-/-base12-YXJoaWNsZQ~-?-base48-cmV2aXNpb24lNWZpZDo2NTE2MiZpdGVtJTVmaWQ9NjUwODY~>.

GLOSSARY*

Cadmium poisoning: Cadmium poisoning is among the most toxic occupational chemical hazards. Acute effects in workers occur mainly as a result of exposures to cadmium fume in welding or soldering, especially when this takes place in a poorly ventilated workspace. Workers in nickel-cadmium battery manufacturing are the most exposed group. Exposures to cadmium fume may give rise to a type of metal fume fever. Flu-like symptoms occur, with chills, fever and muscular pain in the back and limbs. Over-exposure of humans to cadmium can cause chronic damage to the lung, kidneys and liver; and can cause stomach cancer, lung cancer, respiratory cancer, prostate cancer, osteomalacia, osteoporosis, and loss of sense of smell.

Cadre: A public official holding a responsible or managerial position, usually full time, in party and government. A cadre is not necessarily a member of the Communist Party, although a person holding a sensitive job in most cases would be a party member.

China Labour Bulletin: A Hong Kong-based group, founded by Chinese labor activist Han Dongfang, that promotes democratic trade unionism and other core labor rights in mainland China.

Communist Youth League: First established in May 1922, the Communist Youth League promotes and supports Communist Party policies and is a source of future leadership for the party.

Counterrevolutionary organization: Any organization not approved by the government and that advocates policies officially viewed as “hostile” to the government and Communist Party. The traditional term “counterrevolutionary” was legally superseded in 1997, when the PRC Criminal Law underwent major revisions, by the new concept of “endangering state security.” But in practice, the latter definition continued to be applied to the same groups and individuals that were previously proscribed as “counterrevolutionary.”

Cultural Revolution: Launched by Communist Party Chairman Mao Zedong in May 1966, the Cultural Revolution was ostensibly aimed at “de-bureaucratizing” the Party apparatus, creating a “new socialist culture” and “continuing the revolution under the dictatorship of the proletariat.” In practice, it was essentially a struggle for power within the Communist Party. It brought social, political, and economic chaos to large sections of Chinese society and resulted in the death, imprisonment, or torture of millions of citizens.

Danwei: The basic urban “work unit,” which also served political, social, and economic functions, especially in state-owned enterprises during the Mao era.

Democracy Wall Movement 1979: In winter 1978, on a wall near Beijing University, numerous posters appeared criticizing the Cultural Revolution and calling for political reform. The authorities cracked down on this flourishing of popular expression in April 1979, when posters critical of Deng Xiaoping began appearing; but the movement continued until April 1981, when dozens of its leaders were arrested and jailed.

Democracy Movement 1989: The mass grassroots movement of students, intellectuals and workers, centered in Tiananmen Square, that took place around the country between mid-April and early June 1989. The movement was crushed on the night of June 3-4, 1989 when large numbers of PLA troops forced their way into Beijing, killing hundreds and possibly thousands of unarmed citizens.

Democratic Party of China (CDP): An unauthorized nationwide political party established by veteran pro-democracy activists, notably the Democracy Wall figure Xu Wenli, in 1998. Dozens of the party’s leaders were arrested and jailed for many years soon after its founding. The CDP remains banned in China today, although overseas-based Chinese dissidents continue to use the name to promote democratic ideals.

Deng Xiaoping: Leader of the Chinese Communist Party who spearheaded, from late 1978 onwards, the economic reforms that transformed China.

Dengist era: The initial period (1979-97) of economic reform.

Falun Gong: A banned spiritual group, numbering in the millions, whose members have been a major target for repression by government authorities since July 1999.

Han Dongfang: A founder of the Beijing Autonomous Workers' Federation (BAWF) during the Tiananmen Square protests in May 1989. The BAWF was probably the first independent workers' rights organization in China since 1949. Han now directs the *China Labour Bulletin* in Hong Kong.

Hukou (Household registration): a system of residency permits that determine where Chinese citizens are legally allowed to reside; those having rural *hukou* have only restricted rights to live and work in the city, and in practice they are treated as second-class citizens as compared to those with urban *hukou*.

Hu Jintao: President of the People's Republic of China since March 15, 2003, Hu is concurrently general secretary of the Communist Party Central Committee and Chairman of the Central Military Affairs Commission, among other posts.

International Confederation of Free Trade Unions (ICFTU): The International Confederation of Free Trade Unions was created in 1949 after democratic unions split from the communist-dominated World Federation of Trade Unions. At its peak it claimed 241 affiliated organizations in 156 countries and territories on all five continents, with a membership of 155 million. In June 2006, it merged with other global union federations to form the International Trade Union Confederation (ITUC).

International Labor Organization (ILO): The tripartite U.N. agency, founded in 1919 as a part of the League of Nations, that brings together governments, employers and workers of its member states to discuss labor-management issues.

Jiang Qing: Third wife of Mao Zedong who, until Mao's death in 1976, wielded extraordinary power, through her involvement with radical Red Guard youth during the cultural revolution and subsequently as a member of the so-called "Gang of Four." She was convicted in 1981 of "counter-revolutionary crimes" and died in prison in 1991, an apparent suicide.

Jiang Zemin: Former Communist Party General Secretary from 1989 to 2002 and Chinese President from 1993 to 2003.

June 4: The date of the government's military crackdown on the Tiananmen Square democracy activists (strictly speaking, the PLA invasion of Beijing began on the evening of June 3).

Liu Shaoqi: Former Chairman of the Communist Party, he succeeded Mao Zedong as Chairman of the People's Republic of China in 1959. Liu was deeply influential among leaders of the All China Federation of Trade Unions (ACFTU), and, along with Deng Xiaoping and Zhou Enlai, introduced a variety of economic reforms that ultimately led to his downfall during the Cultural Revolution. He died in jail in 1969 after severe physical abuse and medical neglect.

Mao Zedong: Mao Zedong was the key leader and pre-eminent ideologist of the Chinese Communist Party. Though responsible for the deaths of millions and the sufferings of many more Chinese, today he plays an iconic role in the public life of China and in the minds of many Chinese.

Maoist era: The period in Chinese history dominated by Mao Zedong, especially from the founding of the PRC in 1949 until his death in October 1976.

Model worker (*lao mo*): "Hero workers," held up for their hard work and productive capacity, especially during the first three decades of the People's Republic.

National People's Congress (NPC): The National People's Congress is officially said to be the highest organ of state power in China, although it only meets once a year for two or three weeks. It discusses and endorses laws promoted by the Party, and confirms the appointment of senior government officials and political leaders.

National People's Political Consultative Conference (NPPCC): A senior consultative body, composed of Communist Party members, non-party personages and members of the so-called Democratic Parties (minor and uninfluential holdovers from the pre-1949 period). The NPPCC is the principal vehicle for the Party's "united front" policy.

Re-education through labor: China's system of re-education through labor (*laodong jiaoyang* or *lao-jiao*), under which around 250,000 citizens serve periods of forced detention and labor for up to three years, is officially described (by the Ministry of Public Security) as being an "administrative punishment" designed to change "minor offenders" into people who "obey law, respect public virtue, love their country, love hard work, and possess certain standards of education and productive skills for the building of socialism." In fact, in all cases it constitutes arbitrary detention, as defined by the U.N., since those so sentenced have no court trial and the punishment is imposed solely on police authority.

Social & labor insurance: The legally mandatory range of benefits theoretically available to workers in China. They include: unemployment benefit, medical insurance, retirement pension, workplace injuries insurance and maternity benefits. At present, however, most migrant workers from the countryside are denied such benefits by employers.

Sole-enterprise town: A city or town dominated by one state-owned enterprise (SOE).

Party Congress: National meeting of the Communist Party, held roughly every five years, to decide key political and economic strategy issues, elect senior Party officials and address other policy matters.

People's Armed Polic (PAP): A paramilitary police force responsible for maintaining and enforcing domestic security. In practice it is often deployed against protesting citizens, including striking workers.

Great Hall of the People: The massive Stalin-esque building that stands on the west side of Tiananmen Square. It was erected in 1958 and serves as the venue for major ceremonial state occasions and also for the annual legislative meetings of the National People's Congress.

Petitioning higher government (shangfang): A traditional Chinese practice whereby ordinary people with grievances against local government or individual officials took their complaints to a higher authority, in the hope that an "upright official" would intervene to give them justice. This practice was formalized after 1949 in a nationwide network of "visits and complaints offices"; however, recent scholarly studies in China have revealed that only a few out of every thousand "petitioners" ever have their problems actually addressed, let alone resolved, via the *shangfang* system.

Retrenchment: Workforce reductions; layoffs.

"Three Represents" theory of Jiang Zemin: Introduced at the 16th Party Congress in 2002, this new ideology attempted to transform the Communist Party from a "party of revolution" to a more conventional "ruling party." It also provided a framework for admitting China's growing capitalist class into the party. As such, it was highly controversial and is currently encountering substantial opposition from leftist quarters in China.

Workers' Autonomous Federations (WAF): Unofficial independent workers' rights groups that sprang up in major cities around China in May 1989 during the Tiananmen Square pro-democracy movement.

Wang Jingxi: A model worker, known as "Iron Man" who worked at the Daqing Oilfield in Heilongjiang Province — China's principal model industrial facility that formed the centerpiece of national propaganda about communist-led industrial achievement during the Mao era.

Wei Jingsheng: A leading dissident and pro-democracy activist, sometimes called "China's Mandela" after South African anti-apartheid leader Nelson Mandela. Wei's most famous article, posted at Beijing's Democracy Wall in March 1979 and titled "The Fifth Modernization," argued that economic modernization without democracy would simply lead to renewed autocracy. Wei was jailed for a total of almost 18 years thereafter.

Wen Jiabao: Premier of China since 2003. Often called "the people's premier," Wen has a more approachable

public image that separates him from the rest of China's current power elite, and his personal warmth and modesty are held to contrast with the more enigmatic and serious Hu Jintao.

Workers and Staff Representative Congress: In theory, this body is a channel through which workers can, in certain carefully defined and regulated circumstances, veto or reject management decisions. Usually referred to as “Workers Congresses,” they were widely propagated from the early 1980s onwards.

Xia-gang gongren (off-post employees): Also known as the “40/50” — male workers over 50 and female workers over 40. In the late 1990s, tens of millions of SOE workers were given this status, which meant that they technically remained on the company staff list but were not required to come in to work. They received a small portion of their original salary, in exchange for *de facto* unemployment. The *xia-gang* policy was meant to last for only three years, after which those concerned would become formally unemployed. In practice it lasted somewhat longer, but the net result was that millions of workers lost good jobs and are now either permanently unemployed or ended up in insecure, mostly menial jobs at much lower pay than before.

Yuan (Renminbi): 2006 exchange rate: 1 yuan = USD 8.28.

Zhu Rongji: Premier of China, 1998-2003.

* Many of the above definitions are taken from *China Labour Bulletin*; the Hong Kong Liaison Office of the International Labor Movement (IHLO); Human Rights Watch; and the Asia Source, a project of the Asia Society, which draws on *The China Handbook: Regional handbooks of economic development: Prospects onto the 21st century*, by Christopher Hudson (Chicago: Fitzroy Dearborn Publishers, 1997).

ACRONYMS

ACFTU: All China Federation of Trade Unions
AFL-CIO: American Federation of Labor and Congress of Industrial Organizations
BWAF: Beijing Workers' Autonomous Federation
CPS: Democratic Party of China
CLB: *China Labour Bulletin*
COE: Collective-owned enterprises
COEDC: Chuandong Oil Exploration & Drilling Company
CPPCC: Chinese People's Political Consultative Committee
CRG: China Resource Company (Hong Kong)
CPC: Communist Party of China
DPC: Democratic Party of China
DPAB: Daqing Petroleum Administration Bureau
HFTU: Heilongjiang Federation of Trade Unions
GP: Gold Peak
ICFTU: International Confederation of Free Trade Unions
ICESCR: International Covenant on Economic, Social and Cultural Rights
ILO: International Labor Organization
ITUC: International Trade Union Confederation
NPC: National People's Congress
NPPCC: National People's Political Consultative Conference
PAP: People's Armed Police
PLA: People's Liberation Army
PRC: People's Republic of China
PSB: Public Security Bureau
RMB Renminbi: currency of China
SOE: State-Owned Enterprise
TTG: Tieshu Textile Group
WAF: Workers' Autonomous Federation
WTO: World Trade Organization



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