

China: Report on a Manufacturing Metropolis

Ever since the emergence of the iPod into society, I have been intrigued, not only by the technology but also by the general business campaign and fellowship Apple has established amongst its consumers. As an avid supporter of the brand, owning numerous iPods, a Macbook, an iPhone and other accessories, I thought it would be useful to gain insight into the manufacturing of their products and the impact it has had upon the global economy, as Apple has now surpassed Microsoft as the most valuable technology company in the world. This renowned corporation distributes parts throughout China, where manufacturing plants have been established, many which do not follow labor standards as migrant workers frequently face discrimination and harsh work environments. One company in particular, Foxconn, currently the world's largest contract electronics manufacturer, has developed a distinct new approach of assembly. An entire city has been established to endorse mass production for western multinationals such as Apple, HP and Nokia. This unique labor regime has led to multiple suicides, and human rights investigations, which has affected Apple's image, yet is still unknown to many due to the surreptitious nature of Foxconn and associates. In spite of attempts made by Apple to provide a safe work environment for the impoverished migrant workers of China, manufacturing corporations such as Foxconn continue to exploit young workers by means of long hours, low pay and harsh conditions, posing physical and psychological threats, and violating human rights to the advantage of the western world's consumer culture.

The statement, which is placed on the back of each Apple product, "Designed by Apple in California, Assembled in China," has stirred widespread criticism. It has given a collection of the public a stereotypical view of America vs. China yet it is evident that Apple is aware of the situation and presents itself in a way that separates the two frontiers of manufacturing. Saunders (2010), believes that Apple labels California as the most 'free', 'creative', 'independent', 'brains', 'forward thinking', economic out-performance' state in the US while China is branded as 'fascists', 'slave-like', 'sweatshop', 'cheap labor' and 'serf-like' (Saunders 2010:478). To some extent this is an accurate representation as it summarizes the development process of products such as the iPod, iPhone and iPad within manufacturing centers such as Foxconn. Apple keeps the brainwork within the western world while the simple tasks are sent to suffering migrant workers where labor is far less expensive. To maintain public approval, a supplier responsibility report is created yearly by Apple to ensure an ethical work procedure yet its values are followed more as guidelines. In February 2010 it was stated that:

"Apple is committed to ensuring the highest standards of social responsibility throughout our supply base. The companies we do business with must provide safe working conditions, treat workers with dignity and respect, and use environmentally responsible manufacturing processes wherever Apple products are made" (Apple Inc. 2010).

Although Apple's Code of Conduct is reviewed with audits, only recommendations are made with further audits, which allows for situations to be ignored, especially since there are different laws that govern manufacturing in China compared to product development within the United States.

Despite China's booming economic sector and immense growth in terms of GDP within recent years it is still considered a developing country, as much of the population is poverty stricken and forced into migrant labor. Since millions leave their homes in search of work, companies such as Foxconn have established unique facilities for mass production. An area in Shenzhen, a major city in southern China has become recognized as "iPod City" to many media sources and bloggers (Blass 2006). An unhealthy work environment has been established, focused entirely upon manufacturing various Apple products. Foxconn has created a manufacturing metropolis that prevents its workers from connecting to the outside world. Shenzhen Longhua has described its manufacturing site, sub-divided into 11 zones listed alphabetically from A to K, as a campus. There are 300,000 workers and its 2.3-square-kilometer campus includes: factories, dormitories, banks, hospitals, a post office, a fire brigade with two fire engines, an exclusive television network, an educational institute, bookstores, soccer fields, basketball courts, track and field, swimming pools, supermarkets, and a collection of cafeterias and restaurants (Chan and Pun 2010:18). Workers become embedded within this walled city and their lives become consumed with labor. Even though all these facilities are offered to employees, it has been reported that there is not enough time to access them. Mr. Zhu, an undercover investigator told The Daily Telegraph, "the workers we spoke to said they never used the swimming pools, and anyway there are only two among the 300,000 workers, and they are said to be quite dirty" (Moore 2010). Within the city, freedom is compromised as the authority of Foxconn's private security is regarded higher than governmental in some cases. Workers who made emergency calls to the police through in-factory telephones were automatically transferred to private security (Chan and Pun 2010:25). This authoritarian-esque rule compromises the goals set forth by Apple, yet increases production, creating more goods for consumers in developed nations.

The workers who manufacture Apple's highly regarded technology lack proper retribution for their efforts, especially considering the harsh conditions they are subjected to on a daily basis. Apple's 2010 report stated that at 24 facilities, their auditors found that workers had been paid less than minimum wage for regular working hours (Apple Inc 2010). If China wishes to achieve social development comparable to the US, impoverished migrants must be given the opportunity to increase their social position and well-being. Instead multinational corporations such as Foxconn exploit their employees for commercial gain by violating laws and agreements outlined by the company. The manufacturing cost of an Apple iPad is only \$9.00 US, or 1.8 percent of the lowest \$499.00 US retail price. The cost of materials is estimated at \$250.6 US, or 50.2 percent of the retail price. With less than 2 percent of the cost of the cheapest iPad per unit going to a manufacturer, Foxconn production workers obtain even less (Chan and Pun 2010:21). Therefore not only does Apple profit immensely, but the

manufacturer receives a significant amount as well, leaving the hard working laborers with minimum wage, at best. Many attempt to accumulate as many overtime hours as possible in order to increase their pay, but it is reported that there is usually minimal opportunity to do so because of the sheer number of employees (Burnett and Frost 2007:109). Although when overtime hours are presented to workers, further payment infractions might ensue. Apple reported that at 48 of the facilities audited, overtime wages were calculated improperly (Apple Inc. 2010), resulting in underpayments for the committed workers desperately attempting to support their families.

Foxconn views their employees strictly as numbers in an extensive system and has created the impression of meaningless work and existence within the walled city. As migrant workers become torn away from their families in hopes for a better life, many have been driven to the sensation of desolation and worthlessness. Within the first 5 months of 2010, a startling 13 young workers between the ages of 17 and 25 attempted or committed suicide at two Foxconn production facilities in southeastern China (Chan and Pun 2010:3). This disturbing pattern must have justified reasoning linked to the unfitting conditions and treatment that give an individual hopeless aspiration. Being contained within a guarded city, with the need to provide for your family on the outside would have psychological effects upon an individual potentially resulting in suicide. The Wall Street Journal reported in May that after 19-year-old Li Hai jumped to his death from a fifth-floor window of a training center, police found a suicide note apologizing to his family. The note indicated that Mr. Li had “lost confidence in his future,” and that “his expectations of what he could do at work and for his family outweighed what could be achieved” (Dean 2010). These situations, which keep occurring, are exterior to Apple’s direct control and all that can be implemented are evaluation teams to investigate the property. The issue is that this did not just happen once at the manufacturing facility, Moore reports that by May, 16 people had jumped from high buildings and 12 died while another 20 people were stopped by the company before they could kill themselves (Moore 2010). This wave of suicides is unheard of and a solution must be put into place that includes something more than simply putting up safety nets or sending in auditors. If workers are continuing to kill themselves, there is something deeper to this problem, most likely a psychological problem developed through rigorous labor and confinement from the outside world. An undercover team that was sent into Shenzhen city reported to the Daily Telegraph, “the trigger for the suicides is inside the factory.” The organizer of the undercover team, Zhu Guangbing stated that workers are reduced to doing the exact same hand movements for months on end and that some workers told him that their hands proceed to twitch at night or when they are doing other tasks. Their minds are never able to rest (Moore 2010). The constant mimicking of motions for long hours each day for months on end with little rest and only for minimal pay in return would effect the human psyche in harmful ways. Not only is there a certain amount of personal pressure put upon the workers to provide for their families back home, but Foxconn also inflicts damaging consequences including fines and there are numerous reports of violence by company security. For example, Sun Danyong, a 25-year-old was held responsible for losing one of the 16 prototypes of Apple’s fourth-generation iPhone and because of the psychological pressures such as being accused of stealing, interrogation

and beatings, he jumped from the 12th floor apartment to his death (Chan and Pun 2010:25). Since there is such a competitive nature amongst technology companies, many suffer such as Sun and other workers at Foxconn in Shenzhen.

The Chinese government has inflicted certain regulations that allows for cruel treatment of their workers. China has no unions therefore subcontractors like Foxconn keep wages artificially low and workers cannot oppose them (Burnett and Frost 2007:3). There are loopholes within the Chinese society, which allows companies to ignore certain rules or recommendations. China has showed continuous disregard towards the organizations and documents that govern labor. The United Nations and the International Labor Organization mainly set human rights and labor standards and as a member of each, the practices of the Chinese government are supposed to fall within the regulations (Chan 1998:898). The Universal Declaration of Human Rights states in Article 23 that “everyone has the right to just and favorable conditions of work... favorable remuneration ensuring himself and his family an existence worthy of human dignity... and everyone has the right to form and join trade unions for the protection of his interests” (UN 1948). Foxconn’s treatment of its workers violates human rights on more than one account by promoting the exploitation of underprivileged workers while the consumer culture takes advantage.

Although manufacturing facilities such as Foxconn let multinational companies develop their products in mass quantities at rapid rates for worldwide distribution, human rights violations and ignorance of moral responsibilities are common. Employees are threatened physically and psychologically through minimal pay, extraction from their homes and confinement within artificial communities. The wave of suicides was the breaking point that created some public awareness to the unhealthy work environment, yet little has been done to hinder the situation. Safety nets might be a quick fix yet cannot improve a long-term state of affairs. If Apple intends to continue this form of high-mass production, they must force their manufacturers to uphold certain set of moral responsibilities instead of simply putting forth recommendations and conducting inspections with little results. If Foxconn put forth a plan to transfer a certain extent of their workforce to other regions such as western China where many migrants are from, this could benefit their business model and serve extremely beneficial to their future in the manufacturing industry. Their authoritarian-esque rule will not survive in a globalizing world where human rights and equality are highly regarded. For these goals to be accomplished, the global consumers who have become engulfed in the fellowship of the Apple campaign must gain awareness of the threats posed to workers developing their commodities. What the westernized culture many have grown accustomed to is exceptionally different to what is common amongst impoverished regions and civilians in China. Many may believe that we are providing the migrants unprecedented possibility and opportunity, yet the reality is that an almost unbearable burden of oppression is placed upon them. Under current methods of manufacturing and production, it is a sad reality that fortunate, wealthy consumers around the world can utilize and employ technologies that many Apple employees may never get their hands on.

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