

become all the more urgent, the potential pitfalls he points out all the more dangerous. His book should be required reading for those looking to better understand the challenges that China faces as it attempts to navigate its way through what will almost certainly be very trying times.

Notes

1. Ching-Ching Ni, "Chinese Activist Gets Jail Sentence," *Los Angeles Times*, August 25, 2006, <http://articles.latimes.com/2006/aug/25/world/fg-blind25>.
2. Philip P. Pan, *Out of Mao's Shadow* (Simon & Schuster, 2008), 322.
3. Philip P. Pan, *Out of Mao's Shadow* (Simon & Schuster, 2008), 314.
4. "Lawyer for Chinese Dissidents Says He Was Beaten, Told to Stop Making 'Trouble,'" Associated Press, October 3, 2007.
5. Author interviews, Beijing and New York, October and November 2008.
6. Philip P. Pan, *Out of Mao's Shadow* (Simon & Schuster, 2008), 156.

A Field Guide to China's "Low Cost" Factories

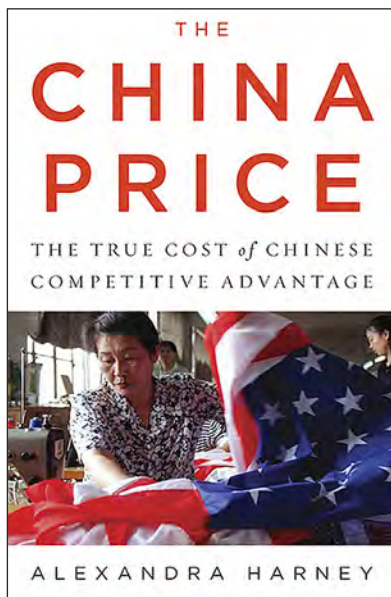
BY GEOFF CROTHALL

If you really want to know why your DVD player costs just US \$30 and that t-shirt retails at under US \$3, you should read *The China Price: The True Cost of Chinese Competitive Advantage*, by former *Financial Times* journalist Alexandra Harney.

Ms. Harney has written a detailed and precisely structured guidebook for American consumers, which reveals the real cost—low wages, hazardous working conditions and environmental degradation—of the products that line the shelves of Wal-Mart and just about every other retail outlet in the United States. The book blends macroeconomic and geopolitical analysis with touching profiles of ordinary Chinese workers and labor activists to create a comprehensive and accessible picture of life in China's factories, and asks how long this situation can last.

During her research for this book, Ms. Harney interviewed individual migrant workers, representatives of workers' rights centers, and corporate social responsibility (CSR) managers throughout China. The result is a well-balanced and grittily realistic account, not only of the problems Chinese workers face in dealing with

The China Price:
The True Cost of Chinese
Competitive Advantage
By Alexandra Harney
Penguin Press
March 2008
352 pages, \$25.95



employers hell-bent on increasing profits at any social cost, but also of how workers nowadays are starting to stand up for their rights—both individually and collectively.

She notes, for example, how migrant workers, particularly the second generation of migrant workers now entering the workforce, are far more aware of their legal rights than before, and are now insisting that employers respect them. The book profiles a young labor activist who lost his hand soon after beginning work at a plastics factory and went on to become a self-taught legal aid worker dedicated to helping other victims of work-related injury and illness. It also cites the case of Deng Wenping, a victim of the silicosis¹ epidemic in the gemstone industry, to illustrate both the health hazards faced by China's workers and the determination of those workers to seek redress for workplace-related

injuries and illnesses.

Deng, as a gem grinder in the Hong Kong-owned Perfect Gem factory in Huizhou, Guangdong Province, first contracted the deadly illness in 2002 because there were no ventilation or air-extraction facilities in his

workshop. When he and other fellow workers were diagnosed as having silicosis, the company fired them all and bitterly fought their requests for compensation. When Deng died in January 2006, his wife and children were left in total penury. But eventually, a series of groundbreaking lawsuits brought by 11 silicosis-afflicted jewelry workers in Guangdong resulted in court orders that forced the delinquent companies to compensate all the victims.

Ms. Harney describes a nascent labor movement in China:

Today, Chinese workers are more likely to shun factories with poor conditions, more prone to protest or strike, and more willing to sue their employers than in the past... By the standards of labor rights movements in the rest of the world, the shift underway in China is subtle. There is no national labor movement, no nationally coordinated strikes or sit-ins, no collective consciousness of the daily struggle of a Chinese factory worker. There is not even a charismatic leader... And yet, the stirrings of activism among Chinese workers are already creating challenges for the country's manufacturing sector.

The book also examines in detail the CSR initiatives and anti-sweatshop movements in the United States that are increasingly influencing the behavior of transnational companies, and the effect these efforts are having on their Chinese suppliers. It reveals how "five-star factories" conform to the codes of conduct laid down by the major brands while their suppliers use "shadow factories" to make sure they can meet the cost and time demands made by those brands. Ms. Harney describes the auditing and compliance work of Wal-Mart and shows that, all too frequently, American companies are more concerned with removing the stigma of "sweatshop" than actually protecting workers' rights:

The inspector asked the manager to retrieve payroll and other records and choose 15 assembly-line workers she could interview later that morning. "Do it as fast as you can," she said. "I have to finish by one P.M. at the latest"... The factory managers watched her warily, afraid of what she might find. At the end of the tour, she pronounced the factory "pretty good"... A

ten minute drive away, another factory owned by the same manager was humming away. This factory was making the same products for Wal-Mart as the factory the auditor saw, but under wholly different conditions and a cloak of secrecy... No one from Wal-Mart has ever seen this factory, though Wal-Mart buys much of the factory's output, according to its owner. Officially, this factory does not even exist.

The situation in China's factories remains fluid, however, and Ms. Harney suggests that one way forward for American brands and their Chinese suppliers is to encourage the election of workers' representatives to negotiate directly with management, and for managers to appreciate that a contented workforce is a more productive and efficient workforce. Moreover, she says, the Chinese government needs to more effectively implement its own labor and environmental legislation, and:

Create an organization that truly represents workers, particularly migrants, in their negotiations with government agencies, the judicial system and employers. It's not unthinkable that this organization could be the ACFTU, but the state-backed union would need to undergo substantial reform in order to serve workers more effectively.

Finally, Ms. Harney suggests that if the government:

Applied the same elbow grease to policing its factories that it does to policing political debate on the internet, it would improve the standard of its manufacturing base, reduce the caseload of lawsuits and protests by disgruntled workers and ease tensions with its trading partners.

Publication of *The China Price* could hardly be timelier, as 2008 has proven to be a red-letter year for workers' rights in China. Three new national labor laws have come into force since January (the *Labor Contract Law*, *Employment Promotion Law*, and *Law on the Mediation and Arbitration of Labor Disputes*); the government-sponsored All-China Federation of Trade Unions (ACFTU) is in full-swing to "unionize" the entire private sector; and in recent months various city governments and official trade union centers have even begun promoting the use of collective bargaining.

Much of this new thinking by the authorities on labor issues has been driven by the unavoidable reality of rising worker consciousness and labor militancy in China—a factor that threatens to derail the government’s “harmonious society” project and therefore compels it to start making concessions to workers’ demands. Ms. Harney’s gripping and well-researched account provides the essential background to under-

standing this crucial new dynamic in Chinese labor relations today.

Note

1. Silicosis—the inflammation and scarring of the lungs—is caused by inhalation of crystalline silica dust.

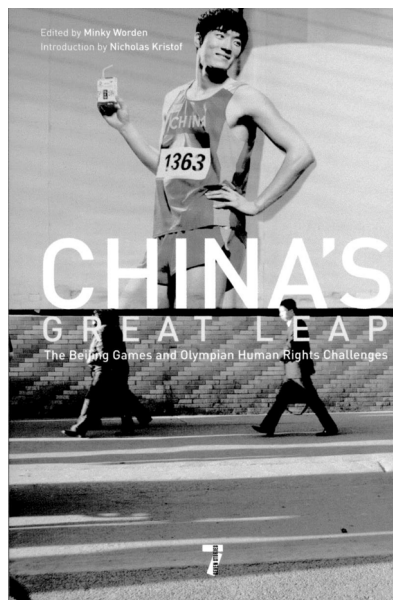
Table Talk about the Olympics and Human Rights

BY JEFFREY N. WASSERSTROM

The “Acknowledgements” section of *China’s Great Leap* comes at the end of the book rather than the beginning, but I read it first and am glad I did. Why? Because in it Minky Worden uses a lovely simile to describe the role she played in pulling together this thought-provoking volume. “Producing an anthology,” she writes, “is like planning a dinner party—you imagine the people you’d most like to have around a dinner table, and how their expertise and life experiences will combine to make the most interesting and engaging discussion possible.”

This dinner party image stayed with me while I read her wide-ranging book, which covers everything from the plight of members of the “invisible army” of migrants who built stunning venues such as the Bird’s Nest Stadium (the subject of Mei Fong’s powerful chapter and a poignant photo essay by Dutch photographer Kadir van Lohuizen), to limits on press freedom (the focus of Phelim Kine’s “A Gold Medal in Media Censorship”). I kept musing on how interesting it would have been to be a dinner guest at an actual pre-Olympics gathering with the international group that Worden assembled, with its mixture of expected and unexpected participants in a discussion of Chinese human rights. For, thankfully, Worden took her self-imposed charge of trying to line up “guests” with varied “life experiences” and forms of “expertise” very seriously. Thus we

China’s Great Leap: The Beijing Games and Olympian Human Rights Challenges
 Edited by Minky Worden
 Seven Stories Press
 May 2008
 336 pages, \$18.95



get to hear from both a sometime contributor to *Sports Illustrated* (Dave Zirin) and an internationally-renowned expert on the Chinese legal system and law professor at New York University (Jerome A. Cohen), from a former child laborer in a garment factory who struck it rich in Hong Kong’s clothing and media worlds (Jimmy Lai), as well as from an iconoclastic literary critic and wonderfully articulate political gadfly who heads the independent Chinese PEN Center in Beijing (Liu Xiaobo).

It is pure fantasy, of course, to think that such a dinner party could have taken place. There are, after all, some very busy people represented in this volume, such as journalist Nicholas Kristof (who wrote the “Introduction”), Hong Kong democracy activist Martin Lee (who gives us a lively survey of post-1997 trends in the former Crown Colony), Human Rights Watch

Executive Director Kenneth Roth (who weighs in with “A Dual Approach to Rights Reform”), and former law professor turned Human Rights in China Executive Director Sharon K. Hom (represented here by “The Promise of a ‘People’s Olympics’”).

In addition, there’s nowhere on earth that everyone who wrote for the volume would be able to convene. At least one contributor, Bao Tong, a former confidant of Zhao Ziyang who is now an outspoken critic of the