

ACTIVIST PERSPECTIVE: THE SOCIAL COST HIDDEN IN THE APPLE PRODUCTS

DEBBY CHAN

Students and Scholars against Corporate Misbehaviour

ABSTRACT

Entering a train compartment in Hong Kong, we can always find people who are preoccupied with an iPhone or iPad. Apple products are more than just communication tools; they provide a benchmark of a trendy lifestyle. Despite the recent uprisings highlighting labor unrest at the Foxconn factory in Zhengzhou, China continues to produce 100,000 iPhones every day—it cannot meet the demands of the obsessed consumers. Consumers order iPhones at retailers and find that they are usually out of stock. From the fascinating advertisement they have seen, consumers are unaware of the social cost behind the Apple gadgets. As a labor NGO in China, it is the obligation of Students and Scholars against Corporate Misbehaviour (SACOM) to unveil the social cost to the public and let the consumers make a conscious choice.

Like most multinational corporations, Apple has issued a code of conduct, which states that human rights are to be upheld by their suppliers. The company declares that it will ensure compliance by the use of social audits. Disappointingly, a number of gross labor rights violations are found among Apple suppliers. Even worse, no remedy is provided by Apple when these violations are exposed. Can a nonlegally binding code of conduct guarantee respect for labor rights? In response to intense media and public pressure, Apple joined the Fair Labor Association as a participating company in January 2012. Will this bring about structural change in the working conditions of Apple's suppliers?

In 2009, there were rumors of cases of poisoning at Wintek, an Apple supplier, in Suzhou, China. Wintek produced touchscreens for iPhone at that time. The poisonings were confirmed by the local authority in Suzhou after a strike erupted at Wintek in January 2010. Apple admitted that 137 workers had been poisoned by n-hexane, a solvent used to clean iPhone screens, in the “Supplier Responsibility Progress Report,” released a year and a half after the incident. The victims suffered from nerve damage and exhibited symptoms of muscular weakness and atrophy. After a year of hospitalization, all of them were discharged from the hospital. While Apple stated that all the workers had been successfully treated, the workers were deeply worried about the possibility of relapse, as they were still experiencing problems like sweaty hands and feet and leg cramps. The workers wrote three letters to Apple earlier this year (2011), in the hope that Steve Jobs, who was himself suffering from health problems, would be sympathetic to them. To their surprise, they did not hear from Apple before Steve Jobs resigned in August.

Apple has not learned a lesson from the Wintek poisonings. In May 2011, an explosion in the polishing department of Foxconn in Chengdu, China, caused four deaths and 18 injuries. The Chinese media alleged that the blast was caused by the combustible dust accumulated in the department. In December, an explosion at another Apple supplier in Shonghai, Riteng Computer Accessory Co., injured 61 workers. Apple did not give a public account of the cause of the explosions until January 2012. Two months prior to the first explosion, SACOM had been told by Foxconn workers in the polishing department that the shop floor was full of aluminum dust and the ventilation was poor. Every day they inhaled aluminum dust and their skin was covered by the dust as well. Even without the explosion, the conditions would still have been detrimental to workers’ health. The Foxconn plants in Chengdu produce iPads for Apple. According to Foxconn’s middle management, Apple regularly has representatives visit the factories in order to examine the quality of the products and productivity. It is evident that the problems had existed for months before the tragedy. Apple could have discovered the occupational safety hazards if it had strictly complied with its own code of conduct.

As well as documenting negligence in ensuring occupational safety, SACOM has also documented a wide range of labor rights violations found at Apple suppliers, including miscalculation of wages, excessive and forced overtime, and abusive use of student workers. Unfortunately, we have never received a response from Apple. In fact, SACOM has found that Apple usually ignores public criticism. Last year, the world was stunned by the spate of suicides at Foxconn, and suspected that some of the cases could be attributed to the company’s harsh management methods. Without launching any investigation of the pressure of work on workers, Steve Jobs defended Apple’s longstanding strategic partner, claiming that it was not running a sweatshop because there were restaurants, movie theaters, hospitals, and swimming pools in its factory. SACOM

seriously questions the extent to which Apple honors its pledge with regard to the code of conduct. And SACOM has never heard that Apple will remedy the workers if rights violations are found in its suppliers.

“Our predicament is inflicted by the negligence of Apple, though we contribute so much to the revenue of the company. I also call on Apple to reform its audit system to prevent [a] similar tragedy,” said Mr. Jia Jing-Chuan, one of the victims of the Wintek poisoning case, angrily. A Foxconn worker in Zhengzhou declared that “I am not proud of producing iPhones. Indeed, I’ve never seen an iPhone in my life. I only hope Apple will respect our rights and stop exploiting workers.” SACOM demands that the new CEO of Apple open his ears to the workers’ grievances. It must reform the “no-response policy,” rectify its suppliers’ rights violations, and provide compensation to the workers as soon as possible.

Now that Apple has joined the FLA as a participating company, it appears as if Apple has become transparent and socially responsible. In fact, Apple already comprehended the problems at its suppliers. In 2011, Apple conducted 229 audits throughout its supply chain. And Foxconn workers always saw Apple representatives observing the production line. Therefore, it was not necessary for Apple to join the FLA in order to uncover and remediate the problems. SACOM is deeply disturbed by the FLA’s initial findings that working conditions at Foxconn are “better than average” without addressing issues such as student workers, safety, and work pressure. The independence and credibility of the FLA are in question.

As a small research and campaign group, SACOM cannot monitor the working conditions at Apple suppliers on a regular basis. SACOM dreams that some day the workers will be able to speak for themselves and defend their rights through labor organizing. To achieve this, we need help from concerned consumers all over the world. We call on the consumers to support SACOM’s cause, to demand a fair wage and genuine trade unions at Apple suppliers. If they do this, SACOM’s investigations will no longer be necessary.

Direct reprint requests to:

Debby Chan
Project Officer of SACOM
P.O. Box 79583
Mongkok Post Office, Hong Kong
e-mail: debby@sacom.hk