Contents

Questions for discussion before watching the film 2

Film synopsis 2

Theme for Discussion 1:
  Rural to urban migrant women in China 4
  China’s Economic Reforms Likely to Increase Internal Migration 4
    Questions for Discussion 7

Theme for Discussion 2:
  Life in Chinese Sweatshops 8
    Questions for discussion 9

Theme for Discussion 3:
  Resistance to Exploitation 10
    Questions for discussion 10

Theme for Discussion 4:
  Is Neoliberal Globalization Improving People’s Lives? 11
    Questions for Discussion 11

Theme for Discussion 5:
  What Can We Do? 12
    Questions for Discussion 13

Learn More 14
  NGOs 14
  Books 14
  Articles 14
  Links to Websites 15

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Questions for discussion before watching the film

• What is globalization? Is it a single process, or are there many different “globalizations”?
• Who are the winners and who are the losers of Globalization?
• What has the impact of neoliberal globalization been in the United States? Has it affected all people in the country similarly, or has it affected various groups and classes differently?
• How has neoliberal globalization affected China? What sorts of changes have happened in China over the last 25 years? Is China a communist country? If so, what does it mean to be communist? If not, is China capitalist?
• How do you think we can solve some of the problems that have recently been created?

Synopsis

Do you know ANYONE who does not own a pair of jeans? And who thinks twice about paying upwards of $60 to several hundred dollars for a pair? Director Micha Peled takes a very close look at who is manufacturing these jeans in the hopes that he will raise consumer awareness of where clothes come from and what those who produce them endure. China Blue uncovers the inner workings of a denim factory in Shaxi, giving a first-hand look at the dynamics between the laborers, owners, and the West and the high costs of the global economy.

Developed as a continuation of Peled’s 2001 production Store Wars: When Wal-Mart Comes to Town, which explores the effects of a globalized economy, Peled and his crew spent three years in China for the production of this film where the shooting was interrupted several times by the Chinese authorities, the crew was arrested and interrogated, and tapes were confiscated. The China Film Bureau put this film on its banned film list and China’s authorities harassed the featured factory owner, Mr. Lam, accusing him of collaborating with foreign media without a permit. Peled convinced Mr. Lam to participate by telling him he was to be a star of a “movie about the new generation of Chinese entrepreneurs.”

China Blue follows young teenager Jasmine Lee in her journey from her rural home to the city of Shaxi, Guangdong in hopes of financially aiding her family. There, like an estimated 130 million migrant workers on the move in China, most of them young women, she finds employment at a factory that assembles denim clothing for export to overseas markets. She shares a room with twelve other girls on the upper floor of a grim concrete dorm and labors 18 hours a day, from 8 to 2 in the morning, seven days a week, removing lint and snipping the loose threads from the seams of denim jeans. Jasmine and her friends, many of them under the age of 15, frequently work until 2 or 3 a.m. without any overtime pay and their bland daily meals are taken out of their pay. Misdemeanors such as leaving the factory without permission or sleeping during work hours result in pay cuts. The jeans Jasmine works on are headed for the United States...
where they will be sold in stores like Wal-Mart. For a $60 pair of jeans, the factory receives a dollar, and Jasmine gets a fraction of that, six cents an hour. Her salary averages between $30 and $60 a month.

The “New Era” of economic progress in China has created a new generation of entrepreneurs like Mr. Lam, a former police chief turned owner of the blue jeans factory in Shaxi, one of dozens of denim manufacturers in “China’s Famous Clothing Town.” The glitzy life of the factory owner, Mr. Lam, a former police chief, makes a sharp contrast to that of the girls. They repeatedly suffer pay delays at the hands of their employer, who opts to cut costs to meet demands. Most of the workers have never traveled before and don’t want to leave home but feel duty-bound to take advantage of the opportunity to send wages home, even if they now only get to visit their family every couple of years or so. Weeks pass before Jasmine gets a glimpse of the city and months pass before she gets her first paycheck (between the factory’s cashflow-strapped payroll delays and the custom of withholding initial payout as insurance a worker won’t jump ship). Mr. Lam thinks himself a relaxed manager, proud of his operation and open about letting the filmmakers shoot as they will. His factory is considered one of the better factories by independent worker-rights inspectors. But when deadlines approach and employees complain about endless hours or ever-postponed pay, his real attitudes leak out: They’re “uneducated, low-caliber” types without work ethics, lazy and devious. He paints slogans on the walls like this: “If you don’t work hard today, you’ll look hard for work tomorrow.” We get a clandestine look at the buyers for Western brands and chain stores negotiating Lam down to the half-penny with the realization that the real profits are made, and kept, in first-world countries.
Theme for Discussion 1: Rural to urban migrant women in China

Millions of young people are leaving their rural villages and flocking to the big cities of southern China, lured by the prospect of participating in the burgeoning “New China” economy. They hope to earn money to send back home or save for a better life, but often end up employed for scant wages in the region’s many garment, electronic, toy, or textile factories. This massive increase in rural-to-urban migration is termed the “floating population,” and numbering upwards of 130 million, these rural migrants are at the front line of both domestic and global capitalist development, working for the lowest wages in occupations that urbanites shun, and often in dangerous conditions with little or no security or legal protections. Women comprise a majority of the world’s largest migration wave, yet the influence of gender and the unique circumstances of women migrants have yet to receive sufficient attention. Only the future will tell the impact of migration on the identities, values, worldviews, and social positions of these migrant women. The economic reforms are producing massive changes in social relations, identities, and gender ideologies both in urban areas and in the countryside. In the late 1990s, China’s cities had attracted close to 100 million rural migrants, most of who were short-term laborers rather than long-term settlers. The rapid growth of rural-urban migration can be attributed to the de-collectivization of agriculture, which freed rural households to reallocate their labor, and the transition to market economy, which created large regional disparities in economic development. Migrant labor has made a large contribution to the rapid growth of the country’s coastal areas; migrant workers built much of the new urban infrastructure and made it possible for labor-intensive industries to compete internationally. Because China’s household registration system, the hukou, ties many social services to location, migrant workers in the city often must go without healthcare, proper housing, or education for them and their children. Thus, there is a serious risk of rural migrant laborers becoming a permanent underclass.

China’s Economic Reforms Likely to Increase Internal Migration

Despite the restrictions and economic penalties associated with migration in China, large numbers of rural Chinese are leaving their villages for cities and coastal provinces, and many more will likely do so now that China is a full member of the World Trade Organization (WTO).

WTO membership, which took effect in December 2001, accelerated China’s transformation into a major magnet for foreign investors eager to take advantage of low wages and a relatively well-educated and disciplined workforce. At the same time, a restructured economy means lower import barriers, reduced subsidies for farmers, privatization and streamlining of giant state enterprises, and a likelihood of increasing unemployment.

Analysts expect that these changes could see an increase in China’s already massive “floating” population — the millions of rural people who flock to urban centers where they are not registered to live.
“Freer trade is expected to increase foreign investment in China, creating jobs in factories, but it also may speed up the movement off the land as cheaper farm products enter China,” write Philip Martin and Jonas Widgren in “International Migration: Facing the Challenge,” a report by the Washington-based Population Reference Bureau (PRB).

The migrants tend to be people between the ages of 20 and 35 who have average or above-average incomes, compared with others in their hometowns. As with international immigrants, these internal travelers are subject to demand-pull, supply-push, and other factors.

Migrants generally move from rural areas to cities, with rural laborers going from central and western regions to parts of the east coast for work in township and village enterprises and low-skilled city jobs. Dire conditions and few jobs in villages prompt the rural exodus.

“In villages across central and southern China, incomes have stagnated,” according to an April 2001 New York Times article by Erik Eckholm. “Most young people migrate to coastal cities to perform menial jobs, and local governments are so short of money that officials and teachers often go unpaid for months at a time.”

Succession to the WTO and integration of China into the world economy increased the potential for the exodus of labor out of agriculture and into cities.

Home to more than 20 percent of the world’s 6 billion people, China, the world’s most populous nation, is a poor and predominantly rural country. The 800 million Chinese living in rural villages are much poorer than the 500 million people in the cities.

China restricts movement within the country and introduced a household registration system in the 1950s, listing everyone in a specific location, usually their place of birth. Even though the system was relaxed in 1994, conditions for internal migrants remain difficult. It is difficult for rural migrants to obtain housing, education, and government services outside the area where they are registered. Male migrants are often employed in construction, while female migrants often find jobs in factories. Migrants in coastal areas earn US$2 to US$3 a day, far more than they could earn farming. And even though they contribute to the local economy, their rights are hardly ever enforced, and they are often cheated out of their pay. Many are also subject to police harassment. Those without correct registration papers can be sentenced to three- to six-month terms of work in prison factories.

While those wishing to change their household registration may seek permission to do so, most migrants cannot afford city work permits, which can cost from US$6,000 to US$12,000. They maintain their links to their villages, in part out of fear that they may be forced back to the countryside.
Economic reforms have triggered internal migrations within China. This map indicates that the six coastal provinces and municipalities of Guangdong (mislabelled on this map as Guangzhou, the name of its capital), Beijing, Shanghai, Liaoning, Tianjin, and Jiangsu had substantial net immigration from other provinces in the late 1980s. Guangdong, a centre of modernization and industrialization, is easily the “winner” of the 1979 communist economic reforms. Between 1985 and 1990, some 1.26 million people from other Chinese provinces migrated to this province. Only 250,000 people left Guangdong for other provinces. Among the “losers” are Guangxi, Zhejiang, Hunan, Heilongjiang, Anhui, and Hebei - all provinces with large agricultural sectors and low economic growth. Though this map is confined to the period 1985-1990, the basic outlines of interprovincial migration still hold true.
Questions for Discussion

• Why do the workers in the film want to leave the countryside? What would they do if they stayed back home?

• Many supporters of neoliberalism claim that “even if conditions in factories are bad, they are better than working the fields,” additionally stating that “it’s their choice. If they don’t like the jobs in the factories they can leave.” Is this a valid argument? Do the factory girls have a choice? What other types of jobs do you think they could get?

• For what reasons other than just economic ones do the girls seem to want to leave the countryside? Do you know anyone from the countryside in the U.S. that moved to a city? What were some of their reasons for wanting to leave?

• What is the relationship between migrant workers and city people? Do the migrant workers tend to hang out with local city people? Why or why not?

• What sorts of social and economic problems do you think 150 million migrants moving to the cities could cause in China? How do you think the government could address this issue?

• What do you know about the process of urbanization in the U.S. or other western countries? When did this happen? What sorts of social and political issues arose in this time period? What similarities and what differences are there with the situation in present day China?
Theme for Discussion 2: Life in Chinese Sweatshops

Many Americans have some sense that conditions for factory workers in China are quite bad. Because of extensive reports on bad conditions in Chinese factories producing for American brands, the phrase “Made in China” is often associated with sweatshops. But what are the specific problems that Chinese workers face in these factories that have been powering the economy of much of coastal China?

Perhaps most shocking to westerners is the continued use of child labor in Chinese factories. Although factories almost always demand that workers are 17 or older, fake documents are readily and cheaply available in any major Chinese city. Thus, many children as young as 14 or 15 often work in factories, and factory management is often not strict about checking the validity of workers’ documents. Child laborers tend to be more submissive, and therefore less likely to “cause problems” for management. Problems with child labor are quite evident in China Blue.

Though it varies from factory to factory, problems with occupational safety and health (OSH) are quite widespread in China’s export processing zones. In order to save on expenses, factory bosses are often reluctant to install necessary safety features, such as ventilation systems, machine guards, eye washing stations, or fire extinguishers, and many workers never receive appropriate safety training before being put on the job. The result of this has been countless unnecessary injuries such as loss of fingers, hands, and arms, as well as other threats to health caused by contact with toxic substances or overly hot work rooms.

Perhaps the most frequently heard complaint from Chinese factory workers is that their salary is too low, and often is not paid on time. Reports of employees going up to half a year without receiving wages are not uncommon, and corrupt local officials who are loathe to threaten capital accumulation are often disinclined to intervene on behalf of workers. Even when salaries are paid on time, they are often below the locally stipulated minimum wages. Many workers leave the countryside hoping to earn more money to support their families back home, but instead find out that after paying for housing, food, and clothing on a factory paycheck, they have very little to send home. Sometimes they cannot even earn enough money to buy a ticket back to the countryside, keeping them in a semi-indentured status.

Another problem that is quite evident in the film is the poor living conditions migrant workers face in factories. Factories in China generally have a compound design, where outsiders must check in with security before gaining access to the premises. Within the compound there is the factory, as well as worker cafeteria and dorms. “Good” dorms have 6-8 workers per room, and many have up to 12 or 14 workers stacked up in triple bunk beds. It is not uncommon for dozens of workers to share a single bathroom, and many dorms do not have hot water available on every floor of the dormitory. Factory workers are almost unanimous in complaining about the poor quality of the food they receive in the cafeterias, as old withered vegetables, low quality rice, and very little meat or fish is the daily fare. Workers’ salaries are too low to allow them to eat in higher priced nearby restaurants.

Finally, and perhaps most importantly, is the fact that Chinese migrant workers have no access to independent trade unions which might be able to help them fight for an improvement in conditions. The Chinese government has outlawed all independent
trade unions, leaving the Communist Party controlled All China Federation of Trade Unions (ACFTU) as the only option. The ACFTU has almost no history of fighting for workers rights’ as its leaders are often appointed by the Party, and they will often appoint factory managers or government officials to run the union. As a result, workers have very little trust in the union, and largely see it as something that will not serve their interests. Until Chinese workers are able to engage in democratic forms of self-organizations, it will be difficult to improve the problems they face in the workplace.

Questions for discussion

- Everybody knows that conditions in most Chinese factories are bad. If we all know this, why do you think American companies are still willing to have their goods produced there?
- Compare the conditions for workers you saw in the film to conditions for factory workers in the United States. What is the difference? Why do you think conditions may be better in the United States?
- Do you think that so much production has been relocated to China because of, or in spite of, the bad conditions that factory workers there face?
- As already mentioned, many people argue that conditions in these factories, bad as they may be, are better than what awaits these migrants were they to return to the countryside. After watching this film, do you buy this argument? If the argument is true, does that mean that conditions should not be improved? Which problems do you think are the most pressing?
- Compare what you saw in China Blue to conditions in factories in the U.S. in the early 20th century. How are they similar and how are they different? What allowed workers in the West to secure better working conditions, higher salaries, health insurance, and a chance at entering the urban middle class during the middle part of the 20th century?
Theme for Discussion 3: Resistance to Exploitation

According to the statistics of the Chinese Ministry of Public Security, there were 74,000 incidents of collective action in China in 2005. Even by the conservative and often politically motivated statistics of the Chinese government, incidents of protest, strikes, and all forms of labor conflict have been increasingly rapidly over the past several years. Although many different sectors of Chinese society have been increasingly willing to take part in collective action, workers in privately owned factories, such as the one in China Blue, have been one of the most active groups.

There is of course no single reason why Chinese workers have been increasingly quick to engage in forms of collective direct action. However, many of the problems already mentioned are generally behind incidents of protest, with workers generally most willing to take action over unpaid wages. Tactics that workers use include slowdowns, full strikes, road blockages, and even threatening suicide.

Of course, engaging in collective action can be quite dangerous for Chinese workers. In 1982, the Chinese government abolished workers' right to strike, meaning each time that workers walk off the job, they are breaking the law. As already mentioned, it is illegal for Chinese workers to establish democratic independent unions. Any extensive form of independent organization is immediately crushed when discovered by the state, and activists risk being fired or imprisoned. As can be seen from the example of Mr. Lam, often times factory bosses are former government officials or they have good connections with those in the state bureaucracy. Lack of democratic procedure and transparency allows many local officials to engage in serious corruption, and so they are often willing to overlook breaches of the law on the part of factory owners. This same phenomenon makes these officials intolerant of any attempt of workers to stand up for their own rights, and worker activism is thus generally met with severe repression.

Questions for Discussion

• What were the reasons that the workers in the movie engaged in collective action? Do you think there was a positive outcome?
• Imagine you were a worker in the factory in China Blue. Would you be willing to risk getting fired to participate in the action? Why or why not?
• Do you think that walking off the job was a good decision for the workers? What other options might have been available to them?
• How was the resolution of this labor dispute similar or different from how labor disputes are resolved in the United States? What do you think American workers would have done if they encountered a similar problem? Why do you think the process might be different here than it is in China?
Theme for Discussion 4: Is Neoliberal Globalization Improving Peoples’ Lives?

One of the primary claims of supporters of neoliberal policies within China and other countries is that the free market will necessarily produce an improvement in the lives of a majority of the population, even if it results in an initial growth in inequality. Whether conceptualized as “trickle-down economics” or the Clintonian metaphor of a rising boat lifting all ships, this logic holds that inequality should be tolerated since all social classes are experiencing upward socio-economic mobility. Adherents to free market ideology believe that neoliberal globalization is a win-win game: countries in both the developed global North and in the developing global South can benefit.

However, the results over the past 20+ years of free market expansion have been decidedly mixed. China and India are often cited as the best examples of the success of globalization. Indeed, the economic reforms in China have lifted tens of millions of people out of poverty and led to the creation of a large and increasingly wealthy middle class in urban areas. Mr. Lam, the factory owner from the movie, is a perfect example of someone who was able to secure an incredible improvement of material comfort in the span of just a few years. However, the luster of the Chinese economic “miracle” has been tempered by out of control growth in levels of inequality that has lead to fears of social instability. President Hu Jintao’s promotion of constructing a “harmonious society” is the government’s attempt to address some of the shortcomings of the economic reforms. Whether the Chinese bureaucracy, as enmeshed in the process of capital accumulation as it is, can be mobilized against business interests has yet to be seen.

Questions for Discussion

- Working in export processing factories such as the one in China Blue was not an option for rural Chinese only 20 years ago. Because of the restructuring of the rural economy, young Chinese are often forced to seek work in the cities. Do you think that the economic reforms have improved the lives of Jasmine and her friends?
- Clearly, the economic reforms have benefited Mr. Lam more than they have the factory workers. Do you think this sort of inequality is acceptable or does it invalidate the success of the economic reforms?
- Do you think that the inequalities that are growing in both China and the United States are temporary, or is it a permanent feature of free market economics? What sorts of policy initiatives do you think would be effective in making economic growth more equitable?
- What have been the effects of neoliberal globalization in the United States? What sorts of jobs have been gained here, and what sorts have been lost? What about in China? Are the jobs being created in the U.S. good jobs? What about the ones in China?
- Based on what you’ve seen in the movie, why do you think so many companies want to relocate factories to China? How are factory jobs in China different than they are in the U.S.? Sometimes companies say that even if they have to lay off workers in the U.S. to relocate to China, they are helping Chinese workers in the process. Do you think this is true?
Theme for Discussion 5: What Can We Do?

The anti-sweatshop movement that has developed over the past ten years in the United States and Europe has demanded that Western brands purchase goods from socially responsible producers, even if the producers are located in the global South. The movement started on university campuses, with student activists demanding that their schools only license “sweat-free” apparel. After a series of very public attacks on conditions in supplier factories of many high profile western brands, these corporations have responded by promoting “corporate social responsibility” (CSR), which aims to address consumers’ concerns about conditions for factory workers.

The results of nearly a decade of anti-sweatshop activism have been mixed. Many big companies have adopted somewhat more transparent sourcing systems (e.g. Nike), and conditions have improved in a select number of cases. However, particularly in China, a CSR approach to improving workers’ conditions has largely been a failure. Corporations have responded to allegations of unethical treatment of workers by establishing a convoluted system of social codes of compliance that is backed up by factory auditing. However, auditing is often not conducted by an independent entity, and producers in China are notoriously good at deceiving auditors, in many cases coaching workers on the appropriate answers to give in interviews. Even when western corporations claim that they have good social codes of compliance, it is very rare that they are adequately enforced. Finally, and perhaps most significantly, corporate codes of conduct almost never include requirements for democratic and independent worker representative bodies in the workplace.

An additional obstacle to achieving the humane treatment of workers in China has been western brands’ unwillingness to pay higher prices for social compliance from supplier factories. This then puts suppliers, like Mr. Lam, in a difficult position: corporations demand that he pays higher wages, uses less overtime, install better health and safety facilities, and yet they are unwilling to increase the purchasing price. In the cutthroat Chinese marketplace, suppliers have very small profit margins, and this “dual pressure” of demands for low prices and demands for social compliance often leaves local producers in a difficult position.

Given that codes of conduct are rarely adequately enforced, this leaves consumers wishing to purchase ethically-produced goods in something of a bind. Corporations of course would like this problem to go away, and if they can avoid public relations scandals, the problem is solved for them. But the truth of the matter is, a factory-auditing approach to ensuring humane working conditions is almost always bound to fail. The only way that we can be sure that workers are being treated in a way that conforms to a high standard of morality and social justice is when workers are able to form democratic and independent representative bodies, such that they can defend themselves. If this were to happen, there would of course be no need for the paternalistic factory audits that we presently have.

What then, can we as concerned Americans do to help Chinese workers like Jasmine and her friends? Well, the first, somewhat counter-intuitive response is to join a union here and push them to support solidarity work in China. As is clear from the film, Chinese workers are not the enemy of American workers; rather it is transnational corporations who lay off American workers only to depend on the sweatshop labor
of Chinese migrants that are the real criminals. Building a strong labor movement in America that sees Chinese workers as compatriots, rather than as enemies, will be key to building a workers' movement in China. Secondly, though perhaps less likely to succeed, we can push western companies to demand that all supplier factories have democratic worker representative bodies, and that management be willing to engage in collective bargaining. As already mentioned, if Chinese workers have their own voice in the workplace, there will be no need for the largely ineffectual outside auditors. Finally, and most importantly, is pushing for increased government regulation of labor relations. Unfortunately, in the current neoliberal environment, governments around the world are less and less willing to regulate labor relations and labor markets, as policies bow to the ever-increasing demands of transnational capital. However, if we can pressure governments at home and abroad to step up in defense of workers’ rights, this is of course the best solution. When the state guarantees that all workers will be treated decently, there will be no need to worry about ethical consumerism.

Questions for Discussion

- What do you think “corporate social responsibility” means? Can corporations simultaneously be socially responsible and make a profit? How so?
- Who do you think is more responsible for the bad conditions in the factory in the movie, Mr. Lam the manager, or the foreign purchasers? Who do you think has more power to improve things for the workers?
- Is a company’s record on social compliance an important factor when you make purchasing decisions? Where do you get your information? Do you think it’s reliable?
- Are you willing or able to spend more money on “sweat-free” clothing? Do you think most people in America are?
- What stance do you think the American labor movement should take towards Chinese workers? How do you think we can build real solidarity between American and Chinese workers?
- Why do you think governments around the world are afraid to do anything to “damage the investment environment,” e.g. give workers greater legal protections? Do you think there is a way out of the so-called “race to the bottom?” How can we pressure our government to try to stop this vicious cycle?
Learn More:

NGOs

China Labor Watch: http://www.chinalaborwatch.org/


United Students Against Sweatshops: http://www.studentsagainstsweatshops.org/

Asia Monitor Resource Center: http://www.amrc.org.hk/

China Study Group: http://www.chinastudygroup.org/

Worker Rights Consortium: http://www.workersrights.org/

Students and Scholars Against Corporate Misbehavior: http://www.sacom.hk/

Books

Solinger, D. J. and eScholarship (Online service) (1999). Contesting citizenship in urban China peasant migrants, the state, and the logic of the market. Berkeley, University of California Press.


Articles


Links to Websites

Garment Associations

http://www.fairlabor.org/upgrade.html
http://www.nrf.com/
http://www.apparelnews.net/

Advocacy groups

http://www.hrichina.org/public/
http://nature.berkeley.edu/orourke/
http://www.globalexchange.org/
http://www.sweatshopwatch.org/
http://www.corpwatch.org
http://www.sweatshops.org/
http://www.uniteunion.org/buyunion/
http://www.laborrights.org/
China Blue
88 minutes
DVD or VHS Color / Stereo
Grades 10 - 12, College, Adult
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Produced by Teddy Bear Films
Associate Producer: Song Chen
Editor: Manuel A. Tsingaris
Composer: Miriam Cutler

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