China's Big Losers

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The one thing that was not on the table in recent trade negotiations between the US and China was human rights. Much has been made of last week's trade deal between the United States and China, which will pave the way for China's entry into the World Trade Organization (WTO). Sure, the deal is a boon to US business, but it is likely to be business as usual when it comes to human rights. Unless both the US government and US business start to take human rights seriously, the WTO deal and "open markets" are not likely to make any difference for the vast majority of China's citizens.

In the ten years since the Tiananmen Square massacre, China has opened its markets to the US and the rest of the world. However, the human rights situation has remained as bleak as ever. Thousands of political prisoners remain in jails; there is no free press; the police break up religious gatherings. Not only that, but new types of human rights abuses are emerging: hundreds of millions of Chinese workers face new types of exploitation as a result of free trade policies. Millions of state enterprise workers are literally being killed by privatization. They are losing their jobs, their housing, their health care and their pensions, and many millions have been forced to eke out a living on the streets of China's cities. Those who have tried to protest downsizing have been jailed for their efforts. As for the millions of new workers who have entered the private sector, they are often badly exploited. Routine abuses include forced overtime, exposure to poisonous chemicals, and harassment and abuse by factory managers. Prison labor and bonded labor are also common in production for overseas markets. Thanks to government repression, there are no independent trade unions to represent worker interests. Nor are there any local human rights groups to "blow the whistle" on companies that are exploiting workers.

None of this was on the table during the recent trade negotiations. The negotiations make a mockery of the US position of so-called "constructive engagement." Constructive engagement is supposed to use expanded trade ties as a means to expand dialogue on human rights and other issues affecting US national interest. Instead, it has promoted access to Chinese labor markets and consumer markets for US business, but the actual effects of the policy on human rights conditions have been negligible. Now we are told that China's entry into the WTO, an "international, rules-based regime," means that the Chinese government is more likely to respect human rights. There is nothing that suggests this will be the case. China can happily look to other WTO member countries, longstanding human rights violators like Pakistan, Egypt or Indonesia, and comfortably continue its crackdowns on journalists, trade unionists, churches and others– and it is likely to do so, thanks to the fact that the US government has failed to bring human rights into its bilateral dialogue with China in any meaningful way. The negotiations also cast doubt on the US government's recent proclamation that it would push for discussion of labor rights standards in the WTO; the US government is well aware that China will oppose such standards. So, whose rules will become the international norms? Probably the Chinese formula of increased trade and decreased protection for workers.

The US government needs to look for effective leverage on human rights issues. US businesses must also
play a role in a true policy of engagement. As employers are the first order violators of workers' rights, employers must take seriously their responsibilities to obey local and international laws in this respect; failure to do so is criminal. To be sure, a small handful of US businesses have taken up this challenge by adopting codes of conduct and experimenting with systems to check on labor practices in their factories. More companies should join this small club. Furthermore, the US business community should support efforts by the US government to advocate effectively for greater access, transparency, and tolerance for fundamental freedoms in China, and should encourage the Chinese government to uphold international human rights.

Constructive engagement has not been effective in protecting the rights of workers in China's export industries, and may instead have exacerbated rights violations. The new WTO deal is likely to do the same. The US government should abandon the assumption that commercial engagement will inevitably improve the lives of these workers or of China's billion-odd citizens. It should instead look for effective ways to promote human rights, in particular worker rights, as vigorously as it has promoted access for US business in China.