

CARNEGIE COUNCIL *for Ethics in International Affairs*

Inside an Apple iPhone Factory in China

Asia Dialogues

Dejian "Ken" Zeng, Devin T. Stewart

Transcript

DEVIN STEWART: Hi. I'm Devin Stewart here with Ken Zeng. He's a graduate student at New York University (NYU) here in New York City. He's pursuing a Master of Public Administration, in his second year. Ken has done some very interesting and unusual investigative work in China looking at the factories that are supplying Apple products.

Ken, tell us about your project. Your last trip was in the summer, is that correct?

DEJIAN ZENG: Yes, in the summer.

DEVIN STEWART: And where did you go?

DEJIAN ZENG: I went to Shanghai, China. I worked in a factory called Changshuo. It is owned by the Taiwanese Pegatron group. They are the second largest Apple supplier in China. I was funded by a [NYU Gallatin Global Human Rights Fellowship](#). It's basically a cooperation with an NGO called [China Labor Watch](#). They are based in New York but also have an office in China.

How they do their work is that they send undercover investigators into the factories to learn about their wages or living conditions and then they write a report on it, targeting those international brands. And basically those factories that they investigate are the suppliers of these big international brands. So they put pressure on the international brand and influence the practice of the suppliers in the factories.

DEVIN STEWART: So what is this factory supplying to Apple?

DEJIAN ZENG: The factories that I worked at are producing iPhone 6s and then later on in August they started producing the iPhone 7.

DEVIN STEWART: So they're assembling them?

DEJIAN ZENG: Yeah, basically assembling them. From my understanding because I just worked in the workshops that I worked in—I didn't go to other places—but basically they also assemble those little components of the iPhone, like speakers, cameras, or something. Then in the end we put them together and then there is another department that does the packing and assembly.

DEVIN STEWART: You were undercover as a factory worker?

DEJIAN ZENG: Yes. It's actually very easy to get in. So I just carried my luggage and showed up in front of the factories. You would see a lot of workers standing in line waiting for interviews. So I just stepped in line and waited. And when it was my turn, they asked me to show my identification, show

my hands, and recite the alphabet.

They needed to ensure that my fingers were intact. Also they needed to ensure that I understood English letters that are used on the assembly line. But basically that's the interview. It takes less than 30 seconds and you are already inside the factory.

DEVIN STEWART: So the English alphabet?

DEJIAN ZENG: Yes, the English alphabet.

DEVIN STEWART: After 30 seconds of a test, you were sent into the factory?

DEJIAN ZENG: Yes. We had a lot of people, actually. I think in that one day they recruited about 500 workers. After that, we had one or two days of paperwork, information recording, and we did a mandatory physical examination also.

DEVIN STEWART: What was that?

DEJIAN ZENG: There was basically discrimination to it. Before we took the examination they already said that if you are a pregnant woman or if you have a tattoo longer than 10 inches or if you have any metal inside of your body because of some previous surgery or something like that, you're not going to get inside the factory.

DEVIN STEWART: What was the tattoo rule about?

DEJIAN ZENG: Probably they assumed that people who have big tattoos are bad people. That's kind of a cultural stereotype.

DEVIN STEWART: Gangsters or something?

DEJIAN ZENG: Yes.

DEVIN STEWART: And so you passed the physical exam. Were there blood tests and other things, too?

DEJIAN ZENG: Yes. Blood tests and everything.

DEVIN STEWART: Was that inside the factory? Did they have their own medical facility?

DEJIAN ZENG: It was inside the factory. But they also had a little hospital that was inside the factory or a health care room or something.

DEVIN STEWART: Did it seem legitimate to you? Hard to say?

DEJIAN ZENG: It was kind of formal. But they kept saying that those doctors there did not belong to their factory. They were actually from a hospital and then they recruited them here to do the tests and run the health care room.

DEVIN STEWART: Okay. So you passed the physical test, you passed the finger test and the alphabet test.

DEJIAN ZENG: Yes.

DEVIN STEWART: Then immediately go to work in the factory?

DEJIAN ZENG: No. It was not until the third day that I was inside the factory and signed the contract. So the previous two days were unpaid. The third day when you signed a contract they started paying you.

And we had trainings on it. Basically the trainings were about safety and occupational injuries. They are supposed to give us training for 24 hours—required by law—but actually I think it was far less than that. We had a training that was produced by the company and then we had training produced by our department. We were supposed to have training produced by the workshops, the specific assembly line, but the trainings from the workshops and the department were very informal. It was just one or two minutes' talk and that's it.

DEVIN STEWART: So what did they have you doing in the factory?

DEJIAN ZENG: Specifically in the factory I worked at different stations during my whole period of time there. The work that I did for the longest time was called station 26, fasten speaker to housing.

DEVIN STEWART: Explain what that means.

DEJIAN ZENG: Specifically I just put a final screw of the speaker into the back case of the iPhone.

DEVIN STEWART: I'm looking at my iPhone here. Do you see the screw?

DEJIAN ZENG: Yes. The screw is like—you need to take the screen off.

DEVIN STEWART: So it's beneath the screen.

DEJIAN ZENG: And then this is the case. And then the speaker goes around here. I put one screw there.

DEVIN STEWART: Wow. One screw.

DEJIAN ZENG: One screw. And it's over and over again for the whole day.

DEVIN STEWART: Over and over. How many screws a day do you think?

DEJIAN ZENG: So generally a worker would stay 12 hours inside the factory, but we only got paid for 10.5 hours. And in that 10.5 hours, generally one assembly line will produce 3,600 phones. So for one station, we had two people working on it, so it was about 1,800 a day.

DEVIN STEWART: Is there any risk of carpal tunnel or any types of injuries associated with repetitive motion?

DEJIAN ZENG: It's not very usual because basically you just used the screws and the screw feeder and it wasn't very dangerous. But there were some stations that had a warning sign about occupational injuries at that specific station.

DEVIN STEWART: Like what?

DEJIAN ZENG: Some of them were about noise. Some of them were about laser lights. And then some of them were about some chemical—

DEVIN STEWART: Exposure?

DEJIAN ZENG: Yes.

DEVIN STEWART: What were your basic findings, and how long did you stay at the factory?

DEJIAN ZENG: I stayed there about six weeks.

First of all, specifically about labor rights violations, the overtime that workers had is mandatory. During the training, the factory said that it's voluntary, but actually I tried to apply to not working overtime and I never got permission for it. So basically the workers were required to stay in the factory for 12 hours a day, six days a week.

DEVIN STEWART: So you experienced that?

DEJIAN ZENG: Yes.

DEVIN STEWART: Were there breaks?

DEJIAN ZENG: Yes, they had breaks. We took a break for about 10 minutes every two hours. The lunch break was 50 minutes. There was a dinner break for 30 minutes. But all this break time was deducted from our working hours.

DEVIN STEWART: You said 12 hours a day. Would you show up around 8 o'clock in the morning or 7?

DEJIAN ZENG: It depends. So first of all, the factory had two shifts. Each shift was 12 hours. And then, according to your department, assembly line, or specific subfactories in the whole campus, you had different starting times for your day. Some would start working at 7:30, some at 8:00, some at 9:00, some at 9:30. So it was different.

But for me, on the first day of my work I was assigned to the night shift. So I needed to wake up at 6:30 p.m. and then have dinner and take the shuttle bus from the dorm to the campus. And then we showed up at the assembly line around 7:20. Everybody needed to line up. Hundreds of people lined up in the workshops, and the manager would come to swipe your card, your staff identification, and then we would start there. And the assembly line would be turned on at 7:30 p.m. And then we would take a 10-minute break every two hours. If we didn't need to do overtime, we would get off at 4:30 a.m., but generally we needed to do overtime and we would get off at 7:30 a.m.

DEVIN STEWART: So roughly 12 hours?

DEJIAN ZENG: Yes, 12 hours.

DEVIN STEWART: What kind of pay were you getting?

DEJIAN ZENG: The base salary was 2,300-ish in yuan.

DEVIN STEWART: So how much is that in U.S. dollars?

DEJIAN ZENG: I think it's about \$400 a month. But if you do overtime during the weekdays from Monday to Friday, because the base salary is for eight hours per day, five days a week, it is like 1.5 times times the wages. If you're doing it on Saturday, it's double. But basically a lot of workers only

earn, plus the overtime wages, about \$500 a month.

DEVIN STEWART: So you were getting the overtime wage?

DEJIAN ZENG: Yes. I got about 3,100 yuan. That's about \$500.

DEVIN STEWART: Was the wage livable? I mean, could someone get by on that in China?

DEJIAN ZENG: For the workers, the wages were very low, to be honest. But when they got the wages, the meals they eat and the dormitories were already deducted because they eat and sleep in the factories, and the factories will deduct that money.

DEVIN STEWART: Wow. I didn't know that. So the people are living in the factories.

DEJIAN ZENG: In the dorm. It's basically a campus, a university or something like that. And everybody slept in the dorm. And for the dorm, it's like eight people lived together.

DEVIN STEWART: So you were there in the dorm, too?

DEJIAN ZENG: I was there in the dorm.

DEVIN STEWART: With seven others?

DEJIAN ZENG: Yes, with seven others. So eight people lived in one dorm.

DEVIN STEWART: All the same gender?

DEJIAN ZENG: Yes.

DEVIN STEWART: The same age roughly or different ages?

DEJIAN ZENG: They didn't assign you by ages, but basically the workers were the same age as me. They were 18 to 28, and mostly they were male. I didn't see a lot of females there.

DEVIN STEWART: So what was that like, living with a bunch of strangers and living in odd hours like that?

DEJIAN ZENG: My relation with my roommates, because we didn't see each other often—we had people on the night shift—and if I was on the night shift it was totally not possible to meet my roommates that were on the day shift. And so everybody would be just quiet. If they are at the dorm, basically they are either sleeping or they are watching videos on their phone. Every day we had one or two hours for entertainment before sleep, so people either watched videos on their phone or they went to the Internet café to play video games such as *League of Legends*.

DEVIN STEWART: Wow. It's a very minimal lifestyle.

DEJIAN ZENG: You saw that actually the workers were very similar to us. They talked about various things that we would care about. For example, when we chatted on the assembly line we talked about the most beautiful female actors, our favorite novels or horror movies. We also talked sometimes about the increasing tensions between China and the United States in the *South China Sea*. They talked about extracurricular dance class that they wanted to send their daughter to. So it's life, it's real life.

DEVIN STEWART: Dance classes. Is that popular?

DEJIAN ZENG: Yeah. You saw that they were parents, and in China all parents wanted their kids to get ahead of other kids. So they sent them to various extracurricular dance class, music class, math class. It's a thing in China.

DEVIN STEWART: So they talk about pop culture, children, and global politics.

DEJIAN ZENG: Yes.

DEVIN STEWART: What other findings did you come away with?

DEJIAN ZENG: Before I went to the factories I had stereotyped most of the workers, so I thought most of them were from rural areas, poor families.

DEVIN STEWART: That was your stereotype.

DEJIAN ZENG: Yes. Uneducated and incapable of leading their own labor movement. Before I went on this trip, we did an independent study. I read some articles that when there are independent unions in China, basically those independent unions are required by those international brands because by law it is impossible. But if some international brands say that we want our suppliers to have independent unions in the factories, they would have it. But later on, you saw that the unions would gradually fall apart.

DEVIN STEWART: Why is that?

DEJIAN ZENG: They didn't have support from the workers.

DEVIN STEWART: Why not?

DEJIAN ZENG: There were various reasons for that, but in the very beginning I thought it might be because the workers don't have the capability to lead their own unions because those leaders they elected are basically from the assembly line. They were ordinary workers. So I thought it might be just because they're incapable.

DEVIN STEWART: They don't have the time or what?

DEJIAN ZENG: They don't have that kind of capability to manage that many people, handle the politics in the factories. That's what I thought.

But when I was there, I realized that there was no such image of Chinese workers. Chinese workers were relatively huge populations and were highly diversified. You had people that never graduated from middle school. But there were people who held a Bachelor's degree.

So you saw different people, and some of them were very capable people. For example, I think the managers were the key because a manager, one or two years ago they might be just ordinary workers. They got promoted from there. But they are able to manage like 400 people by themselves.

DEVIN STEWART: So the image of them not having leadership, not having the capacity to manage unions, is incorrect.

DEJIAN ZENG: Yes.

DEVIN STEWART: So the unions are in fact flourishing or are they intact?

DEJIAN ZENG: In that specific factory they had unions, but ordinary workers wouldn't have interactions with them. Basically in China the unions were controlled by the factories, most of them were controlled by management—the leaders of the unions were the managers in the factories—and generally independent labor unions were not possible because under authoritarian regimes the government is afraid that workers will get together and become a power.

So in the factories we were introduced to the labor union during training, but they said that, “Okay, here is the code, a QR code of our union, and you can scan this code and find them on an online platform, a [WeChat](#) platform on your phone.” But that's it. I didn't even know where the offices were. I scanned the code. I did find them on the WeChat online platform, but basically it stopped functioning.

So they kept posts and newsletters on the platform. The last one was in December 2015, and that one was specifically about a psychology consultant lecture and it was about how to handle the situation where you work so hard and earn so little, and how do you handle the situation that there are people who do nothing and become rich and you're still poor. Something like that.

DEVIN STEWART: What was the advice in the newsletter?

DEJIAN ZENG: It was an event. It was a poster that you could come and we will have a lecture.

DEVIN STEWART: So the last newsletter was several months before you checked?

DEJIAN ZENG: It's like a half year, six months ago. They stopped posting anything.

DEVIN STEWART: So there's not really much going on?

DEJIAN ZENG: Yes. So I wrote—in that platform you could actually leave your comments. You couldn't see the comments, but you left your comments with them, and if you had questions they were supposed to respond to you. So I asked the question, “What is this union?” and I got no response from it. I think it basically stopped functioning.

DEVIN STEWART: Wow. I'm curious. The platform being on WeChat, is that an issue at all? Because there has been some speculation in the American press that WeChat might be cozy with the [Chinese Communist Party](#). What do you think about that? It may be too sensitive, but what do you think about that proposition? Do you think WeChat is a secure platform?

DEJIAN ZENG: For the workers?

DEVIN STEWART: Yes. I mean, do you think the government has access to what's going on in there?

DEJIAN ZENG: I don't know. But basically, I think, from my personal experience the Chinese government supervised the social media. It's not only WeChat and [Weibo](#). But the point is, the government already controls the labor unions, so they don't even care. They supervise the unions and the unions stand on the side with them. So that's not a problem.

And for workers, here is another thing I learned about strikes, because before we got into this factory—there is a reason why we selected this specific factory. We found that comparing the workers' wages in 2016 to last year's, they had a wage reduction of about 22.6 percent. The factories are required by the minimum wage regulation of Shanghai City to raise the wage according to those

regulations, so they did. But it eliminated the food compensation and various bonuses, so actually the workers are getting less this year, and that is about 22.6 percent less.

So we assumed that these kind of huge wage reductions would cause some reactions from the workers, so we waited for a strike, and that's why I was there, but the strike didn't happen. There were many reasons for it. I think there were two main reasons. First of all was the high turnover rates. It's very normal for workers to leave factories after two weeks or one month.

DEVIN STEWART: Why?

DEJIAN ZENG: That's just how it is. The workers might just be unhappy about the wages that they're getting. They're unhappy about the living conditions.

One of my roommates, he left after the first day he worked because in that assembly line he said that they didn't take the 10-minute break. So he worked consistently after lunch until he got off. It was like from 12:00 p.m. to 9:00 in the morning, something like that, because his shift started at night at 9:00 p.m. and then they worked from 12:00 to 9:00 and they didn't take a break during that whole period of time. That's why he left.

DEVIN STEWART: He went from midnight to 9:00 a.m., nine hours straight without a break.

DEJIAN ZENG: Yes. That's why he left. So there were various reasons, but I think a lot of them were because of the low wages.

So, the high turnover rate is the first thing because it's very hard for you to have this kind of solidarity when the people around you are going to leave or have just come the day before. So they don't have that kind of solidarity. That's the first thing.

The second thing is the manager didn't organize it. When I was talking with China Labor Watch, they told me from their research they found that a lot of strikes that happen in China are organized or led by the manager level. So generally workers would have meetings before we got dismissed, and it's organized by the group leader.

So the group leader gave us meetings for 15 minutes summarizing our overall performance of the whole day. You could see that kind of opportunity. If in that meeting the group leader said, "Okay, we want to strike and we don't want to have this kind of low wage anymore. Let's have a strike tomorrow—just don't go to work and assemble in the campus," everybody would listen because day to day the workers are always listening to the group manager. The group managers do have that kind of authority to organize the workers. But in that factory, the managers were not involved in it.

There is a lot of guessing, so I don't have evidence on it, but I think that the managers do get higher wages than the workers.

Let me talk about the management structure first. The lowest status are ordinary workers. We also call them operators. One level higher is group leaders. And then it's department managers. And above that we have line managers. So, workers, operators on the first level, and then group leaders on the second, and there are line managers, and then it's the department manager, and then it is the director of the factory.

So you only need to reach the level of the group leaders. So if the group leaders are involved or organizing, it is possible that a strike will happen. But for ordinary workers I don't think there is any

opportunity or institutional structure for them to organize a strike by themselves.

But in the factories you weren't paid by your titles. They had a different system that rates your level, so they had level one, level two, level three, level four, level six, something like that. So when you are a group leader, it is possible that you get level two wages or level three wages or level four wages. The levels depend on your education.

I heard that it is possible that if you hold a Bachelor's degree but you are an operator on the assembly line you might get level two or level three wages. So each level is 200 yuan more.

DEVIN STEWART: Very interesting conversation.

Are there any other findings that you took away?

DEJIAN ZENG: Yes. One of the findings is that I found that the strategy that we take to advocate human rights by targeting those international brands is working. Traditionally human rights advocacy strategy targets governments. But now some of the strategy is we're targeting those international brands. That's a specific strategy that China Labor Watch takes. I found that it did work.

From my experience there I did find that, because every time Apple comes to audit, you can feel that kind of anxiety of the factories. They care about it. They are nervous about it.

I do find that if Apple doesn't require it, a lot of things would not exist in the factories—for example, the safety training or some protection for occupational injuries. During the trainings, you can see that a lot of things they do are required by Apple, and most of the point of doing it is to satisfy Apple because they keep records. They do exams after the workers are trained. They give you the answer of the exams. But they keep a record on it that I think they are supposed to submit to Apple. So the trainings are mostly not about educating the workers about how you should pay attention to safety or something like that. I think most of them are because Apple requires them.

DEVIN STEWART: So the big takeaway is that consumer pressure and NGO pressure on the brands is having some effect. I guess that's a good way to conclude our conversation.

DEJIAN ZENG: Yes.

DEVIN STEWART: Just one last question: Your activities in exposing some of these details of factory life in China, does that put you at any risk?

DEJIAN ZENG: So far, I haven't gotten any information or any calls from the government. But for my research, my writings, my presentations, I don't even mention the word "government," so I'm not targeting the government. So I don't know whether it is sensitive enough for them to reach out to me.

But it's very hard to tell. The Chinese government right now, they don't have a standard for it. Sometimes it could be sensitive; sometimes it could be not. So you don't even know. But so far I haven't gotten any calls from the government.

DEVIN STEWART: That's good to hear, Ken.

Thank you so much for sharing your story with us today. I really appreciate it. Thank you.

DEJIAN ZENG: Thank you.

Audio

What really goes on in an Apple factory in China? In this fascinating conversation, Carnegie Council Senior Fellow Devin Stewart talks to Dejian "Ken" Zeng, a grad student who went undercover at an iPhone factory in Shanghai, about 12-hour workdays, his minimalist life in the dorms, and why it's so hard to organize a labor movement in China.

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