

# Apple: “Forced Labor” in India with Foxconn. Hourly Wage 88 Cents

Taiwan's Foxconn (Hon Hai Precision Industry Co.) is the world's largest organizer of barracked lowest-wage labor

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*Apple has its latest iPhones 12 and 13, and since this year also iPhone 14, finally assembled in the **South Indian special economic zone Chennai** in the state of Tamil Nadu. Numerous Indian electronics companies are established here, supplying Western car companies such as BMW and Ford, and digital companies such as Nokia, Dell, Hewlett Packard, Microsoft and Apple.*

*In the U.S., the Western world's best-looking, best smartphone from the “world's largest democracy” costs from \$1,500 - up to \$2,099 depending on the model.*

For this Apple has contracted **Taiwan's Foxconn (Hon Hai Precision Industry Co.)**. Foxconn is the world's largest organizer of barracked lowest-wage labor, especially in microelectronics. Foxconn uses subcontractors to recruit young women from poor rural areas. They can be fobbed off with particularly low wages, working eight hours, six days a week, spread over three shifts. They do not have a regular employment relationship, but a contract for work that can be terminated at any time. This is standard practice at Foxconn.

## Hourly wage: 88 cents

Foxconn operates its own dormitories for this purpose. Up to ten of the women are housed there in mass accommodation, in bunk beds. When it gets crowded, the women have to sleep on the floor. The exit is highly regulated. The dormitories are guarded by security companies. The women are paid the hourly wage of 88 cents hourly for the 8-hour shifts in three shifts six days a week.

However, **Foxconn deducts up to half of this, for accommodation, food, a minimum amount for social security - and also for the costly transport.** The mass accommodation is up to 60 kilometers away from the factory, so that it takes up to two hours a day in the morning and two hours again in the evening.

The physical and mental strain on the women is enormous. Because of the three-shift operation and the long transports, sleep is often too short. The food is often poor, causing stomach problems. Sometimes the women prefer to go to work hungry so as not to endanger themselves. These women are disciplined and deliberately worn out – and after a few years of intensive use, Apple/Foxconn can replace them with new, unused young women – several placement agencies are constantly on the road in poor regions for this purpose. The state labor inspectorate lets such conditions pass.

## **Protest in faraway India - unheard by buyers of iPhones**

In mid-December 2021, thousands of women working for Foxconn/Apple suddenly protested. They blocked a highway between Chennai and Bangalore for hours. Since then, Foxconn has conceded some small improvements: Women no longer have to sleep on the floor in the shelters, and they have running water instead of the water tank in the yard. But that's about all.

These working conditions are extremely contrary to human rights. The unions of Tamil Nadu demand “an end to this forced labor and exploitation.” But the racist and nationalist government and Prime Minister Modi, is increasingly promoting such practices with its “Make in India” program.

That's why India is considered an ally of the West and the “largest democracy in the world”. BlackRock & Co are happy to go along with that. That's why Apple, with Foxconn, has expanded such subcontracting in Chennai in recent years.

## **Foxconn emerged under dictatorship in Taiwan**

Indeed, Foxconn is not only the largest supplier of barracked low-wage labor to Apple. Foxconn is the world's largest organizer of this type of subcontracting industry in microelectronics, primarily for U.S. corporations and for the U.S. military. And Foxconn is the largest company in Taiwan, even ahead of the world's largest chip manufacturer Taiwan Semiconductor Manufacturing Co. (TSMC).

Foxconn was founded in Taiwan in 1974, under the US-backed dictator Chiang kaishek. Martial law prevailed on the island until 1987, and unions were banned. Precisely because the U.S. diplomatically backed away from Chiang in the 1970s and recognized the People's Republic of China, it simultaneously promoted Taiwan as a military and economic outpost against China. Taiwan was therefore incidentally the largest brothel for U.S. soldiers when they took leave from their deployment in Vietnam.

Foxconn has been assembling for Apple, Microsoft, Intel and other Silicon Valley companies since the 1980s: The lowest-wage workers in Taiwan were grouped together in homes, forced to work three to four hours of overtime a day without pay, given no paid vacation. Production was and is almost exclusively for export.

It was not until 1997 that the trade union umbrella organization TCTU was allowed to be founded, and it was not until 2000 that it was recognized by the state. Its influence remained limited. Even in 2022, Foxconn publicly boasts that it has no union in its own company. Foxconn's direct workforce of about 50,000 is cared for with well-run canteens and courses in fitness and weight loss: after all, they do not suffer from malnutrition and hunger like Foxconn-Apple workers in India, but suffer from obesity because of eating too

well.

## **Migrant workers from Vietnam and Indonesia in Taiwan**

In addition, Foxconn has brought and continues to bring several hundred thousand migrant workers annually, mainly from Vietnam, but also from Indonesia and the Philippines: They must submit a new application every three years, have their health checked, and are allowed to work in Taiwan for a maximum of 12 years: At the latest then they have to leave, must not be a burden to Taiwan in their old age. Because they are usually heavily indebted to intermediaries, they are willing, cheap, submissive and hardworking.

Currently, 700,000 migrant workers in Taiwan are subject to this form of forced labor. They do the lowest jobs, the 3D jobs: dirty, dangerous, difficult. During the Corona pandemic, they were subject to much harsher restrictions than the local workers. This is at the same time a modern form of racism.

Taiwan also hosts the next largest low-wage labor organizers, Pegatron and Wistron. They also work as suppliers in India and other poor countries.

## **Export of service first to Japan and South Korea, then to China, now to India**

This is how Foxconn became Taiwan's largest company. **Foxconn exported this extreme exploitation and low-wage practice first to Japan and South Korea, then on a larger scale to China:** there, at its peak, Foxconn had up to one million low-wage workers under contract, also in many cases young women from poor rural regions. Here, too, low wages are cut for housing, food, and transportation.

Beginning in the early 2000s, workers in Foxconn factories in particular went on strike in China. Frequent suicides of young women in Apple assembly briefly became an international "scandal." Apple CEO Steve Jobs, however, continued to describe working conditions at Foxconn as "very good." China has been restricting such practices since 2006: wages have been gradually increased, and workers' labor and grievance rights have been strengthened. Apple, Microsoft & Co. protested against the improvements in China.

That's why Foxconn and Apple have been relocating assembly for more than a decade out of China to U.S.-friendly low-wage states, to India, Vietnam, Thailand, Indonesia, Malaysia, but also to EU states like the Czech Republic and Slovakia. With new subsidiaries in Saudi Arabia, Indonesia, Thailand and also in non-union states of the U.S., Foxconn is pushing its e-car supply contracts.

## **BlackRock in Apple and Foxconn**

BlackRock, the leading shareholder of banks and companies of the U.S. led western capitalism, is also the leading western propagandist for the „new values“ of renewed sustainable capitalism: E S G, which means good environment, good social life and work conditions, and good corporate governance.

But BlackRock is among the top five Apple shareholders, along with affiliated investors Vanguard, Berkshire Hathaway, State Street and Fidelity.

And BlackRock and Vanguard are also the third and fourth largest shareholders in Foxconn,

the world's largest organizer of barracked lowest-wage labor.

The working conditions for the Apple smartphones and other Silicon Valley products are widely unknown in the West. And also the global supply chains for the Chennai factory are secret. The working and life conditions violate all human rights. And this is „good corporate governance“?

Worldwide information and resistance is needed!

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