



Who makes your iPhone? A discussion about sweatshops

By Mark Engler

To the teacher:

What is the human cost of an iPad? The labor conditions at factories making Apple products have been in the public spotlight lately. While Apple is not unique in using low-wage Chinese labor to produce its electronic products, the popularity of the iPad and iPhone, along with publicity surrounding the death of Apple CEO Steve Jobs, have renewed debate about what labor conditions constitute modern-day sweatshops.

This lesson consists of two student readings. The first reading takes a closer look at the labor conditions in factories in China making Apple products. The second reading explores the debate about sweatshops more broadly. Is it realistic to eliminate them from the global economy? What impact have anti-sweatshop advocates made? Questions for discussion follow each reading.

Student Reading 1: Who Makes Your iPhone?

The popularity of iPods, iPhones, and iPads around the world shows that Apple products have an undeniable appeal. If you do not own one of these gadgets, you can probably spot plenty of people who do.

Apple has been widely lauded for unifying functionality and aesthetics in its products. Apple founder, chairman, and CEO Steve Jobs, who died in October 2011, has been honored not only as a brilliant inventor but as a major "job creator."

But how good are those Apple jobs? Like virtually all of its competitors - including Dell, Hewlett Packard, and Sony - Apple uses Chinese labor to manufacture its products. These companies strive to limit labor costs and increase profits by outsourcing production overseas where workers' wages are significantly lower than in U.S.

What is it like to work in a factory that manufactures Apple products? According to recent reports, it's not very pleasant. Chinese workers spend long hours standing on the assembly line, they are compensated poorly for their labor (around \$42 per week, according to recent estimates), and some have been exposed to toxic chemicals. Earlier this year, the [New York Times](#) published several stories in what it calls its "iEconomy series" that discussed conditions inside of some of the Chinese factories making iPhones and iPads. As reporters Charles Duhigg and David Barboza wrote in a January 25, 2012 [article](#):

Employees work excessive overtime, in some cases seven days a week, and live in crowded dorms. Some say they stand so long that their legs swell until they can hardly walk. Under-age workers have helped build Apple's products, and the company's suppliers have improperly disposed of hazardous waste and falsified records, according to company reports and advocacy groups that, within China, are often considered reliable, independent monitors. More troubling, the groups say, is some suppliers' disregard for workers' health.

In the factories of an Apple supplier called Foxconn, 14 workers committed suicide in a 16-month period. According to the British newspaper the [Daily Mail](#), the string of suicides prompted the factories to require prospective workers to sign pledges not to kill themselves before being hired:

At least 14 workers at Foxconn factories in China have killed themselves in the last 16 months as a result of horrendous working conditions.

Many more are believed to have either survived attempts or been stopped before trying at the Apple supplier's plants in Chengdu or Shenzhen.

After a spate of suicides last year, managers at the factories ordered new staff to sign pledges that they would not attempt to kill themselves, according to researchers.

And they were made to promise that if they did, their families would only seek the legal minimum in damages.

Apple has benefitted significantly from inexpensive labor. As the [New York Times](#) reported, "Last year, [Apple] earned over \$400,000 in profit per employee, more than Goldman Sachs, Exxon Mobil or Google."

There is some disagreement over whether the Chinese factories that make Apple products constitute "sweatshops." Nevertheless, the reports about these factories should remind us to think critically about how the products we buy are made, by whom, and under what conditions.

For Discussion:

1. Do students have any questions about the reading? How might they be answered?
 2. According to the reading, what are some of the conditions faced by workers at plants producing iPads and iPhones?
 3. Were you surprised by the information about working conditions in plants like Foxconn's?
 4. Do you think the conditions at Apple's manufacturing plants described in the reading constitute "sweatshop" conditions? Explain your reasoning.
-

**Student Reading 2:
The Debate Over Sweatshops**

The recent reports about poor conditions at some factories making Apple products has reopened the a debate about modern-day "sweatshops." Despite the reports, some economists and commentators defend Apple's use of inexpensive labor abroad. They argue that, even if the labor standards at these factories seem grim to Americans, these facilities are important stepping stones on China's path to economic development. As journalist Rich Karlgaard wrote in a February 2, 2012, *Wall Street Journal* article entitled "[In Defense of Apple's China Plants](#)":

Foxconn [an Apple supplier] remains an employer of choice in Shenzhen, both in its engineering jobs and in its factory-floor work. It is not a model employer by American or Western European standards, but it would be accurate to call the company relatively decent. In every country where it operates - including the Czech Republic, India and Brazil - Foxconn ranks above the local average in pay and work conditions.

To pick on the Apple-Foxconn partnership is to argue for perfection in an imperfect world. It also denies China a natural path to modernization. China's factories in 2012 might be roughly where America's factories were in 1922 in terms of worker rights. The debate isn't whether this is wonderful; the debate is whether this represents progress over where China was, say, under Mao Zedong.

To critics of Apple's labor practices, this line of reasoning is not convincing. They respond that other countries did not develop because of sweatshops, but instead because social movements pushed for improved working conditions at such factories. As John Miller, an economist at Wheaton College wrote in the January/February 2003 issue of *Challenge Magazine*:

[The] arguments [of economists defending sweatshops] distort the historical

record and misrepresent how social improvement is brought about with economic development. First, the claim that developed economies passed through a sweatshop stage does not establish that sweatshops caused or contributed to the enhanced productivity that they say improved working conditions. Second, in the developed world, the sweatshop phase was not extinguished by market-led forces alone, but when economic growth combined with the very kind of social action, or enlightened collective choice, that defenders of sweatshops find objectionable.

Defenders of sweatshops argue that low-wage factory jobs, even if exploitative, might still be superior to other options available to workers in the developing world. Labor activists do not deny this point. However, they insist that the basic rights of workers should nevertheless be protected. Miller continues:

The fact that many in the developing world are worse off than workers in the world export factories is a point that economists supportive of the anti-sweatshop movement do not deny.... [T]he Scholars Against Sweatshop Labor statement (2001) admits that "Even after allowing for the frequent low wages and poor working conditions in these jobs, they are still generally superior to 'informal' employment in, for example, much of agriculture or urban street vending."

This is not meant to suggest that these exchanges between employers and poor workers with few alternatives are in reality voluntary or that world export factory jobs are not sweatshops or places of exploitation. Rather, as political philosopher Michael Waltzer argues, these exchanges should be seen as "trades of last resort" or "desperate" exchanges that need to be protected by labor legislation regulating such things as limits on hours, a wage floor, and guaranteed health and safety requirements.

Apple's actions in recent months actions validate anti-sweatshop advocate's belief that conditions can be improved.

On February 13, 2012, Apple joined the Fair Labor Association (FLA) as a participating member. Apple CEO [Tim Cook said](#), "We believe that workers everywhere have the right to a safe and fair work environment, which is why we've asked the FLA to independently assess the performance of our largest suppliers."

Moreover, Foxconn itself has announced a significant increase in worker salaries and a reduction in overtime hours at some of its facilities. As the [New York Times](#) reported on February 18, 2012, "Foxconn said that salaries for many workers would immediately jump by 16 to 25 percent, to about \$400 a month, before overtime. The company also said it would reduce overtime hours at its factories."

Anti-sweatshop activists are still critical of these companies, arguing that the changes are not yet adequate to ensure workers' rights. However, that both Apple and Foxconn have improved conditions following negative publicity and increased public campaigning suggests that anti-sweatshop advocacy can have a profound impact.

What do you think? Are sweatshops just a temporary evil on the road to the long-term good of the economic modernization of poorer countries? Or should workers around the

world be entitled to the same basic protections accepted as standard for American employees?

For Discussion:

1. Do students have any questions about the reading? How might they be answered?
2. What do you think of the questions raised at the end of the reading? Which side of the sweatshop debate do you find most convincing?
3. What are reasons some people give in defense of sweatshops?
4. Why do anti-sweatshop advocates believe that demanding improvements in working conditions is nevertheless worthwhile? What changes have their actions prompted?
5. Apple is not the only company that relies on low-wage foreign manufacturing. Do you think it is fair to shine the light on just one company when other companies are doing the same thing?

This lesson was written by Mark Engler for TeachableMoment.Org, with research assistance by Eric Augenbraun.

We welcome your comments. Please email them to: lmclure@morningsidecenter.org.

[Back to top](#)

© Morningside Center
475 Riverside Drive, Suite 550
New York, New York 10115
212.870.3318 | fax: 212.870.2464
info@morningsidecenter.org