

**Laogai Prisoners, the Slaves of the Communist Regime—Testimony at CECC Worker Rights hearing
Harry Wu (Founder and Executive Director of Laogai Research Foundation)**

I. Introductory remark

Thank you for inviting me to speak today before the Commission. Over these years, I have testified for many times before the congress about China's Laogai and its derivative abuses. But today it is the first time, I'm testifying at a hearing about China's worker rights. With the Laogai system deeply rooted into the state's economic structure, China's working class is different from that of the modern democratic countries. It includes not only "workers" at the ordinary sense, but also "workers" of the prison enterprises. So when we talk about worker rights in China, it will be definitely incomplete if we ignore the millions of workers in Laogai camps. I am very glad that the Commission clearly realized this difference and invited me to testify about the slave labor of China's prison enterprises. For this, I'd like express my special appreciation to the Commission's ongoing concern and insights on human rights in China.

II. Prisoners in Laogai, more like state slaves than enterprise workers Prisoners in Laogai provide the state with an endless source of cheap or payless labor force, so the Laogai enterprises develop basically at the same pace with the economy. During the Mao's era when economy was sluggish and food and basic material were in urgent need, Laogai prisoners were forced to do works of farming, mining and infrastructure constructions.

When Deng led the country into frenzy economic pursuits, authorities began to establish more and more industrial and commercial enterprises where Laogai prisoners are forced to labor solely for the sake of profit. Partly as an effort to remedy increasing enterprise deficit from the mid- 1990's, and partly as a response to international criticism, the central government attempted to implement the policy of separation of prisons and enterprises since 2003. Till 2010, it is said the "separation" had basically been completed. However, according to our findings, the separation is more nominal than real. Prisoners all across the country are still toiling in the prison enterprises under sever working conditions with insufficient health protections or safety measures.

Below I'd give a description of the conditions of the Laogai prisoners in terms of basic worker rights:

1. Health, safety and work environment

China's communist regime first installed the Laogai system out of three considerations: a) for the reform of the prisoners, b) for the settlement of the problems of the prisons, and c) for the prohibition of counterrevolutionaries living in leisure without doing anything.

This is clearly stated in the decision of the Third National Public Security Conference in 1951. Although 60 years have passed, this doctrine remains strong in the mind of the communist authorities.

Therefore the prisoners are essentially considered as state slaves whose labor force can be exploited while his health, safety and work environment can be completely ignored.

I personally worked as a miner for many years in a Laogai coalmine in Shanxi. During these years I witness many accidents, injuries and deaths. And in a couple of occasions I almost lost my own life due to the poor work protection.

During the 1990's I visited China for several times to gather information about the conditions in the Laogai enterprises. I found although the country was becoming richer, the work conditions of the prisoners almost remain the same. I saw workers standing nakedly in harmful chemical solutions; I saw

miners digging in the mine without adequate facilities to prevent caving in and I saw juvenile prisoners working in magnetite dust without mask.

I had been prohibited to go back to China over the past 15 years after I was deported in 1995 and the information regarding China's labor camps has become increasingly sensitive. However we can still learn something of this sort between lines of other reports. In 2005, an article about an illness of prisoners in Tibet was published in a medical journal¹, which indicates that hypokalemic flaccid paralysis is a very common illness among prisoners. In the study group, 16 of the patients are found to be rock miners, so the illness and high labor intensity are positively correlated. This case shows that right till this day, the Laogai prisoners' basic work rights are still denied by the authorities and they are treated nothing more than cattle.

2. Work time

Though China's Law of Prison as well as regulations issued by the Department of Justice both specified the working hours, rest breaks and holiday entitlements for prisoners, the authorities routinely place priority on work quota. When there are more orders for their products, the authorities will make the prisoners work around the clock, and even force them to work seven days a week. It is learned recently that Liu Xianbin, a pro-democracy activist who was put into prison for the third time, has been forced to work 13 hours per day in Chuanzhong Prison.

1 Xi Luo, "Exploration of the causes of prisoners' hypokalemic flaccid paralysis", Science and Technology in Tibet, 2005 (11).

Regulations also specified the portion of time to be used for study.

But when enterprise profit is taken as the most important, the authorities even change the time for study into time for labor.

3. Payment

The Laogai prisoners work long hours in severe work conditions, but they basically have no payment. In very rare cases they may be given some "payment", but in terms of policy this is called "symbolic payment" or simply "compensation" or "stipend". Since it is "symbolic", the payment may not match the value of labor that the prisoners have given. With the completion of enterprise-prison separation, it is said Laogai prisoners will get a better payment from the "separated" enterprise, but the fact will be very discouraging.

For one thing, even if the enterprise is taken apart from the prison, as long as the prisoners' basic rights are not respected, no one will pay more for their labor while they could pay less.

4. Unemployment

As a special kind of workers, laogai prisoners never need to worry about unemployment. As long as they are able to work, their labor force will be exploited. In fact, just decades ago, the communist regime practiced the measure of "Forced Job Placement" – when prisoners fulfilled their sentence and are ready to get rid of the labor camp and endless exploitation, authorities would find some job vacancies in the laogai camps and arbitrarily order them to work there instead of going back to their old home or old job. This is not because the authorities concern about the inmates' employment, but because they want to keep these prisoners as their working cattle all their lives. Personally, I know many people who committed suicide after they were put into "Forced Job Placement", because they were completely desperate of their fate and future.

On the other hand, after the prisoners are released and return to society, most of them, especially the political prisoners, will face the problem of job hunting. Because of political discrimination and possible police harassment, many of the employers would not or dare not accept the application of former prisoners. The fact is recently demonstrated by Tibetan political prisoners at the international conference entitled “Laogai in Tibet”.

Above, I talked about prisoner-workers’ situations in terms of worker rights. However, prisoner-workers are not exactly workers; they have some more characteristics:

1. Paying for their own imprisonment

In modern democratic countries, prisons are run and funded by the government. But in China, ever since the CCP took power in 1949, it has never spent enough money on the operation of prisons. As a result, the prisons have to do production or business to earn money to sustain themselves, and the prisoners, consequently, have to toil for their own imprisonment.

From 1949 to 1989 the government’s yearly spending on prison system has never exceeded 2 billion RMB, while the laogai enterprise earnings gradually rose up from zero to 10 billion RMB.² At present the yearly budget for both laogai and laojiao is about 15 billion RMB, but the government can only allocate 30% to 60% of the total. The rest can only be earned by the Laogai enterprise, or most exactly eked out from the flesh of the prisoners.

2. Torture and other types of punishment

For ordinary workers, salary is leverage over the quality or quantity of work. But for the laogai prisoners, torture and other types of punishment are routine ways to control product quality and quantity as well as obedience to production regulations.

There are various ways to punish prisoner-workers who dare to violate the production regulations or who failed to meet the production quota.

These include but not limited to 1) deprivation of sleep, 2) deduction or deprivation of food, 3) stress position, 4) beating up and so on.

Liu Xianbin who is now imprisoned in Chuanzhong Prison is forced to work 13 hours to do ornament processing. Since he is near-sighted and can’t work well, he is always deprived of sleep and food. The condition in Laojiao camps is as bad, if not worse. LRF learned that in Shayang Laojiao Camp, Hubei Province, various measures are taken to punish those who failed to fulfill the quota. So every night the Laojiao inmates would bring their work to the public restroom to go on, because they are not allowed to stay in the workshop during the night but they are not allowed to fail the quota.

III. China floods the world market with inhuman and unethical labor products

Laogai enterprise is an indispensable part of China’s economy. The official-recognized number of such enterprises varies from time to time, for example, 4671 in 1953 and 1280 in 2005, but its importance in China’s economy remains unchanged. Today’s laogai enterprises engage in many types of production and processing, from mining, farming, to the making of products as big as fire engines and as small as ladies’ brooches.

Under Section 307 of the Smoot Hawley Tariff Act of 1930 (19 U.S.C. §1307) goods “mined, produced, or manufactured wholly or in part... by convict labor or/and forced labor... shall not be entitled entry at any of the ports of the United States, and the importation thereof is... prohibited.” Furthermore, Section 1761 of Title 18 of U.S. Code makes it a criminal offense to knowingly import goods made with prison labor. Additionally, in 1992 the U.S. and China signed a Memorandum of Understanding which stated that China will “investigate companies, enterprises or units suspected of violating relevant regulations” and report back its findings and furnish available evidence to the U.S. regarding the suspected violations. Most importantly, the Memorandum states that China will “arrange and facilitate visits” by U.S. officials to “respective enterprises or units,” within 60 days of a request. Such agreement coincides with Chinese law which prohibits the export of Laogai products. But despite these laws and regulations, China’s prison enterprises never cease attempting to enter U.S. market.

Our findings indicate that the situation of laogai products in U.S is still serious.

1. China’s various tricks to erase the marks of Laogai

To escape from international condemnation and legal punishment, China’s laogai enterprises tried many types of tricks to erase the marks of Laogai of their products. The common ones include but not limited to 1) using different names for the same Laogai camp(s), for example, Nanchang Fire Engine Factory and Nanchang Auto Factor are commercial names for Jiangxi Prison Enterprise Group, and the later combines several smaller prison enterprises; 2) reorganizing prison enterprises, for example, Shandong Lineng Group Co. Ltd is a combination of several well-known laogai enterprises in Shandong Province, and this kind of one name for multiple prisons enterprises has the function to cover the nature of Laogai for each individual enterprise; 3) engaging mainly in “processing” rather than “manufacturing”, for example, in recent years many laogai enterprises shift their business from production to processing. There may be other reasons for this change, but the most evident reason is to get rid of the hints of Laogai for a certain type of products. The Laogai enterprises only do a part of the whole processing, so their names will not be listed as processors or manufacturers.

2. Findings in D&B databases

In 2008, LRF researchers explored the two databases of Dun & Bradstreet (“D&B”): Duns Worldbase (Lexis-Nexis) and Duns Records Plus (Westlaw) 3, and found China’s Laogai products have found many ways to enter U.S. market.

3 LRF, Laogai forced labor camps listed in Dun and Bradstreet databases, June 19, 2008.

We found in the databases that a total of 314 separate entries were Laogai related, which represent 256 different laogai camps, almost 25% of the total known camps as of 2006. The 314 entries cover laogai enterprises in 28 of 31 provincial level divisions (including provinces, municipalities, and autonomous regions).

The findings indicate that U.S. business and business services do not have the adequate awareness of the threat of China’s Laogai products.

It’s true that many Laogai camps have different business names but in the B&D databases, 65 of the 314 entries directly contain the word “Prison”, such as “Sichuan Qiaowo Prison Machinery Factory”, or more directly “Shandong Prison” and “Sichuan Deyang Prison”. Therefore D&B have ample reason not to list these enterprises in their databases.

IV. Conclusion and suggestions

1. China's prisoner-workers in the laogai enterprise are a special kind of workers who are vulnerable to worker rights abuses. Therefore special attention should be paid to this group of people when we talk about China's worker rights and more so when we talk about China's Laogai or judicial system;
2. Although U.S. Congress had passed a resolution to condemn China's laogai system, there are still more to be done to give enough pressure to China's authorities to consider abolishing the Laogai system;
3. Although there are U.S. laws and regulations, as well as memorandum signed between U.S. and China to ban the Laogai products, the products never ceases its infiltration into U.S. markets. Therefore more solid measures, including drafting of new regulations and strengthening of the law enforcement, should be taken to keep the Laogai products away from our market.
4. To promote the public awareness of China's Laogai and Laogai products, so that they would have the right choice to buy products which are made in an ethical manner rather than products which are low in price.