

This week Jenny attended a terrific seminar by Professor PUN Ngai at The Hong Kong Polytechnic University. Professor Pun is author of *Made in China: Women Factory Workers in a Global Workplace* (published in 2005 by Duke University Press) (and translated into languages that include Chinese, French, German and Polish). It was also awarded the C. Wright Mills Award in 2006. Professor Pun is currently working in a book entitled *Dying for an iPhone: Apple, Foxconn and Lives of the Chinese Workers* (also the title of her seminar).

The seminar including a pie chart about what happens to Apple's revenue from the sales of its iPhones in 2010 (using data from a [2011 paper by Kenneth L Kraemer, Greg Linden and Jason Dedrick](#)). This chart captures exactly what is wrong with global manufacturing today.

Here's the breakdown of what happens to Apple's revenue:

- 21.9% of the revenue pays for the cost of material inputs
- 1.8% goes to workers in China
- 3.5% goes to workers in other parts of the world
- 14.3% is profit for non-Apple companies

That adds up to 41.5%. This means a huge 58.5% are Apple profits. Again, 58.5% are Apple profits.

As Jenny said to Professor Pun, it seems abhorrent that Apple makes such huge profits literally "on the back" of workers in China and elsewhere—remembering that this is a company whose products are manufactured by suppliers like Foxconn that has "rolled out" 3,000,000 square metres of netting to prevent the deaths of Chinese workers who attempt suicide by jumping off the roofs of their dormitories.

Professor Pun was careful to point out that Apple is just one company, and Foxconn just one supplier in the global production of electronics. Apple stands out because of its iconic status, and Foxconn stands out as the largest manufacturer of iPhones with over 1.3 million workers worldwide (and a CEO, Terry Gou, that is reported as saying that a leader must be "a dictator for the common good").

There are a range of organisations that are striving to improve worker wellbeing. These include student organisations such as the Hong Kong-based SACOM (Students and Scholars Against Corporate Misbehaviour) (in which Professor Pun and her students play a vital role) and the US-based USAS (United Students Against Sweatshops). There are also NGOs such as the Fair Labor Association which monitors and reports on conditions in factories such as those owned and run by Foxconn to produce iPhones.

But as Professor Pun pointed out, every time each one of us buys an electronic device such as an iPhone we are responsible. In Chapter 4 of *Take Back the Economy* (on Taking Back Markets), we talk about this as a moment of encounter in which we need to consider the people and places in sometimes distant parts of the globe which help to provide us with those things we cannot provide for ourselves. Indeed, in *Take Back the Economy* we talk about the use of 'conflict minerals' in our mobile devices—those tiny fragments of minerals

such as tantalum that make our devices vibrate and that help to fund ongoing conflict in parts of central Africa.

One option is that we change how we consume. We stop buying mobile devices. Or we buy devices such as Fairphones, produced by a Netherlands-based social enterprise which produces mobile phones in ways that minimise harm to people and the planet (including workers in China who are building handsets for Fairphones).

But another option is that we think about the graph that Professor Pun showed in her seminar. It is important to tackle the idea that it's ok for companies like Apple to make such huge profits. Given that workers in China receive a miniscule 1.8% of the revenue from iPhones it would not take much of a bite from Apple's 58.5% profit to make an enormous difference to worker wellbeing in China and elsewhere. Confronting and condemning what can only be described as corporate greed in not just Apple but in the multitude of companies that operate in this way has to be an important part of taking back the economy.



*Jenny Cameron*