



## **China Labour Bulletin**

**July 2003**

### **The Liaoyang Workers' Struggle: Portrait of a Movement**

**The Liaoyang Workers' Struggle: Portrait of a Movement (GP/01/2003)**

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# The Liaoyang Workers Struggle: Portrait of a Movement

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<sup>1</sup> This is an adaptation by China Labour Bulletin from a chapter by Trini Leung, author of a forthcoming book on labour organising in China 1998-2003.



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## CHINA'S WORKERS STAND UP

### The Liaoyang Protest Movement of 2002-03, and the Arrest, Trial and Sentencing of the "Liaoyang Two"<sup>2</sup>

#### *Introduction*

On 11 March 2002, several thousand workers from the Liaoyang Ferro-Alloy Factory in Liaoning Province marched in Democracy Road, the main street of Liaoyang City, to the headquarters of the city government. They were demanding government action to investigate the malpractice and misappropriation of funds that had led to the bankruptcy of their factory. Several thousand more workers from other factories who held similar grievances soon joined the Ferro-Alloy workers' demonstration. The workers, many of whom were in their fifties and older, were all protesting against retrenchment or long-standing arrears of wages, pensions and other basic living subsidies.<sup>3</sup> The Ferro-Alloy workers were unusually well organized and had a core of representatives who were prepared to negotiate with government officials. Six days into the daily street demonstrations, by now involving over 10,000 workers, the Liaoyang police detained several of the workers' representatives. These arrests triggered more demonstrations by even greater numbers of workers, who now demanded the release of their representatives as well. On 18 March, 30,000 workers were reported by the foreign press to have marched in the streets of Liaoyang, protesting against retrenchment, arrears and the recent police arrests.

The workers' demonstrations in Liaoyang were held against the backdrop of the annual convention of the national parliament, the National People's Congress (NPC) and of the government's "united front" body, the National People's Political Consultative Conference (NPPCC). As one of their key demands, the protesting workers called for the resignation of their local delegate to the NPC, Gong Shangwu, who was the former Mayor and Party Secretary of Liaoyang. The Ferro-Alloy workers alleged that Gong had been an accomplice of their plant director in the mishandling of the factory's finances. But in a television interview, made in Beijing at the NPC in March, 2002, Gong claimed that the problem of unemployment in Liaoyang had essentially been solved and that all unemployed workers were receiving a minimum monthly payment of Rmb 280 yuan. Gong's comment outraged the tens of thousands of unemployed and retrenched workers who had suffered months of impoverished living and who had never seen anything like a monthly payment of Rmb 280 yuan.<sup>4</sup>

The spring months of 2002 were marked by numerous large-scale workers' protests against factory closures, job retrenchment and wage arrears in many other parts of the country. The most important of these commenced on 4 March, 2002, six days prior to the first public demonstrations in Liaoyang, when no fewer than 50,000 retrenched workers in Daqing Oilfield (also in the north east of China) began a protracted series of protests in the streets of Daqing city.<sup>5</sup> The mounting wave of unrest in China's traditional

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<sup>2</sup> Adapted by China Labour Bulletin from a chapter by Trini Leung, author of a forthcoming book on labour organising in China 1998-2003.

<sup>3</sup> CLB, 11 March, 2002, [http://big5.china-labour.org.hk/big5/news\\_item.adp?news\\_id=1839](http://big5.china-labour.org.hk/big5/news_item.adp?news_id=1839)

CLB press release, 19 March, 2002, [http://www.china-labour.org.hk/iso/article.adp?article\\_id=2129](http://www.china-labour.org.hk/iso/article.adp?article_id=2129)

<sup>4</sup> After the interview, some protest banners referred to the statement and read "Give me my Rmb 280 a month".

<sup>5</sup> Please see the following links for a selection of CLB's reports on the protests in March in Daqing which involved at times up to 50,000 workers protesting against forced retrenchment; [http://www.china-labour.org.hk/iso/article.adp?article\\_id=2213](http://www.china-labour.org.hk/iso/article.adp?article_id=2213), [http://www.china-labour.org.hk/iso/article.adp?article\\_id=2214](http://www.china-labour.org.hk/iso/article.adp?article_id=2214)

industrial heartland soon caught the attention not only of the international media, but also of the country's top leadership. Police repression, in the form of widespread harassment of demonstrating workers and their families, coupled with the sporadic detention of key leaders and activists, proved – in line with the Chinese saying, “kill the chicken to scare the monkey” – to be the mainstay of the government's response to this startling new social development. However, there was also considerable vacillation and a wide divergence of approach, between different government departments and regions, in the official handling of the various workers' protests of 2002.

In Daqing, for a variety of reasons and also possibly because the Daqing workers directed their protests towards their enterprise, the Daqing Petroleum Administration Bureau, and called for meetings with high ranking enterprise leaders and not with municipal or provincial leaders, the unrest was resolved relatively quickly by a mixture of inducements and concessions from the authorities.<sup>6</sup> In Liaoyang, the policy pendulum swung between attempts to show a degree of latitude and tolerance towards the workers and the more hard-line tactics of police intimidation and repression. From the outset, a continuous stand-off between the local government and the protestors emerged, marked by numerous and regular street demonstrations led by the Ferro-Alloy workers and aimed at securing both their original demands and the release of their arrested representatives. For their part, the Liaoyang authorities tried for over a year to end the workers' protest movement through a combination of procrastination, false promises and apparent pacification, and crude attempts to divide and isolate the workers' leaders.

Predictably enough, the final outcome of this process was a resort by the local government to the time-honoured Chinese Government practice of legally branding the movement's leaders as being “dangerous elements” who posed a severe threat to social “stability and unity.” Thus, on 9 May 2003, following their trial on trumped-up charges of “subversion” in January 2003, and fourteen months after their initial detention, two of the principal leaders of the Liaoyang demonstrations, Yao Fuxin and Xiao Yunliang, were sentenced by the city's judicial authorities to seven and four years' imprisonment respectively. On 27 June 2003, almost inevitably, despite the best efforts of their lawyers and families, both Yao Fuxin and Xiao Yunliang's appeals were rejected without review or retrial.

Harsh and unjust though these prison terms undoubtedly were, they would most likely have been substantially longer had the Liaoyang workers not continued to publicly protest in their thousands for the release of Yao and Xiao during the course of 2002, and if the local labour protests as a whole had not continued to figure so prominently in the pages of the international news media over the same period. In this important sense, the Liaoyang workers' movement of 2002-03, though ultimately defeated by the government, can still be said to have won a significant victory – and hence the title of this report. It did so by virtue of its sustained, resolute and consistently peaceful nature, and through the widespread support and publicity it attracted from within the international labour movement, the global NGO and human rights communities, the world news media and foreign governmental observers, among others.

In this report, China Labour Bulletin records and pays tribute to the first lengthy large-scale and successful awakening of independent worker activism in China since the start of the Deng Xiaoping era of economic “opening and reform” in the late 1970s. Although largely silenced for now, the voice of the Liaoyang workers over the past year and more has sent forth a message of direct relevance and importance to many millions of workers

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labour.org.hk/iso/article.adp?article\_id=2527&article\_id=2527 , [http://www.china-labour.org.hk/iso/article.adp?article\\_id=2269](http://www.china-labour.org.hk/iso/article.adp?article_id=2269)

<sup>6</sup> There were no reported arrests or trials in the case of the Daqing labour unrest of March 2002; however, CLB is concerned about the fate of at least 60 demonstrators who were said to have been detained at various times during the protest movement there.

elsewhere in China who suffer daily from the same kinds of problems and hardships as they do. Among the most prominent of these are: widespread forced redundancies with little hope of future re-employment; lengthy wage arrears and denial of medical and housing benefits; endemic corruption by local officials who collude with local business interests and the police to engage in such things as factory asset-stripping, phoney investment schemes that lead to the disappearance of workers' hard-won savings, and opportunist enterprise bankruptcies that unnecessarily put millions of workers and their families on the breadline; and last but not least, the systematic suppression of any and all attempts by Chinese workers to exercise their internationally guaranteed rights to freedom of association and self-organization in defence of their basic livelihoods, occupational safety and personal security.

In short, the story of the Liaoyang workers' movement of 2002-03 contains a message of wide and urgent significance for the country as a whole, and one which the Chinese government will continue either to silence or ignore at its own peril.

### ***Background to the protests: Three years of corruption and mishandled complaints at the Ferro-Alloy Plant***

The demonstrations in the spring of 2002 by thousands of Liaoyang Ferro-Alloy workers and their colleagues from other local factories were not a spontaneous outbreak of discontent. They were the culmination of over three years of frustrated and prolonged attempts by the workers to draw the attention of the government to their complaints and demands. Unfortunately, the Liaoyang movement showed how a case of local economic and labour grievances which could in practice have been settled relatively easily, instead turned into a high-level political confrontation involving the repression and harassment of many of those involved, due mainly to the failure of various government departments to act swiftly on the workers' legitimate complaints. The sequence of events leading up to the trial and sentencing of Yao Fuxin and Xiao Yunliang – the "Liaoyang Two" – affords a vivid insight into the kinds of egregious injustices and abuses that millions of ordinary citizens have to live with every day in China; and it shows the virtual absence of any institutional channels through which they could effectively seek redress against official corruption or malpractice.

Liaoning Province has the largest number of state-owned enterprise (SOE) employees in China, and therefore also the largest number of retrenched and retired SOE workers in the country.<sup>7</sup> The Ferro-Alloy Factory was an old enterprise which started out as a small-scale smelting workshop producing phosphorus-based products. It was developed into a medium-sized SOE in the 1950s.<sup>8</sup> The factory has faced financial difficulties since the

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<sup>7</sup> At the beginning of 2001, Bo Xilai was appointed as the governor of Liaoning Province. Bo, a member of the CPC central committee, has enjoyed high acclaim as a 'clean' and competent top official.<sup>7</sup> Before he was promoted to head Liaoning Province, he was applauded for his success as the top official of Dalian City which had developed a relatively modernized port and a well-run commercial city. Bo claimed, in an interview in March 2002, that he needed at least five years to solve the immense problems of structural reform in Liaoning, which would involve 10 million workers. (See: <http://www.chinanews.com.cn/2002-03-10/26/168412.html>; <http://www.unn.com.cn/GB/channel286/287/695/200301/27/241468.html>.) He said his government had already spent Rmb 16 billion in improving the social security system in the province, and achievements included the creation of jobs and re-employment for 830,000 workers. According to Bo, by end of 2001, 510,000 workers who were removed from their enterprise-based social security systems had been transferred into the public social security system; but the remaining 60 percent of workers' accounts had yet to be transferred. Six million workers were registered in the social medical insurance scheme by end of 2001; while the other 30 percent of the total workforce had yet to be registered. (See: <http://www.chinanews.com.cn/2002-03-10/26/168412.html>.) Nearly five million workers have reportedly set up personal pension accounts, to be administered by the local government; but nearly two million more workers' accounts have yet to be processed.

<sup>8</sup> "Open letter to Jiang Zemin from the workers of Liaoyang Ferro-Alloy Factory", 5 March, 2002, [http://www.china-labour.org.hk/iso/article.adp?article\\_id=2390](http://www.china-labour.org.hk/iso/article.adp?article_id=2390) ;

1990s, just like tens of thousands of other SOEs. In 1995, a new official, Fan Yicheng, was appointed as the plant's Party Secretary and Director. In collaboration with the former mayor and Party Secretary of the city of Liaoyang, Gong Shangwu, Fan introduced measures to rescue the company by spinning off several production lines into independent companies.

By the late 1990s, however, Fan Yicheng had gained a reputation among the Ferro-Alloy workers as being little more than a self-interested manipulator of the factory's resources. They accused him of having misappropriated over Rmb 100 million<sup>9</sup> to spend on his lavish lifestyle, including sending his children to study abroad, and moreover of having links to local triad criminals.<sup>10</sup> Most seriously, the workers later found out that between 1995 and 2000, Fan had stopped paying contributions to the plant's pension and medical funds, leading to a deficit totalling Rmb 27 million. This later prevented 6,000 members of the workforce from drawing any pension payments or other social security benefits when they were made redundant.

Eventually, in late 2001, Fan Yicheng attempted to apply for bankruptcy, and in September 2002 he was taken into police custody on charges of corruption. However, the events leading up to and surrounding the Ferro-Alloy Factory's final closure merit close and careful scrutiny. First, late on the night of 17 May 2001, some officers from the Liaoyang court arrived in plain clothes at the factory, accompanied by dozens of trucks and a group of over fifty workmen, and began attempting to remove over 2,000 tons of [iron] ore from the warehouse. After the security chief at Ferro-Alloy alerted members of the factory's workforce, Yao Fuxin and eight other workers hurried to the factory to intervene, but they found themselves heavily outnumbered and were unable to prevent the theft from going ahead. The next day, 3,000 Ferro-Alloy workers staged their first demonstrations at the Liaoyang city government and demanded that an official investigation be carried out into the incident. Government officials promised to do so and to deliver their report within a week, but this never materialized.<sup>11</sup>

Second, under various PRC laws including the Bankruptcy Law, the decision of a plant's Workers and Staff Representative Congress (a congress controlled by the factory management and the Party), is required before a SOE can apply for bankruptcy and closure. In mid-October, 2001, Fan Yicheng convened a meeting of the Ferro-Alloy Workers' Congress to vote on his bankruptcy proposal. However, on the day prior to the meeting, the police detained three representatives of the workers; and on the day of the meeting, over 500 riot police were deployed in front of the factory and a number of workers were barred from even entering it. Two plain-clothes police officers were stationed in each of the thirteen areas where voting was to take place, with the result that some workers simply walked out in anger. Those who tried to cast opposing votes reportedly had their ballot papers torn up on the spot by the invigilating officials. It was no surprise, therefore, when the announcement came that the workers congress meeting had voted to "approve" the management's bankruptcy proposal.

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"Open letter to Liaoning provincial governor, Bo Xilai, from the workers the bankrupt Liaoyang Ferro-Alloy Factory", 5 March, 2002, [http://big5.china-labour.org.hk/big5/article.adp?article\\_id=2295](http://big5.china-labour.org.hk/big5/article.adp?article_id=2295);

"An open letter from the Liaoyang Ferro-Alloy Factory workers", 4 March, 2002, [http://big5.china-labour.org.hk/big5/article.adp?article\\_id=2291](http://big5.china-labour.org.hk/big5/article.adp?article_id=2291).

<sup>9</sup> Rmb 8 yuan is approximately equal to one US dollar.

<sup>10</sup> Corruption is rampant throughout China and Liaoyang province has been hard hit by the corruption of high level officials and their links to underground criminal gangs. In Shenyang, the capital of Liaoning province, the Mayor, Mu Suixin was arrested and tried for corruption after investigations uncovered an extensive symbiotic interlinking of City officials and local criminal gangs. Mu was sentenced to the death penalty with a two year reprieve in late 2001 and Ma Xiangdong, the deputy mayor was executed along with one other official. In total 15 top officials were removed from their posts along with 500 others. However, two of the people who had helped expose the scandals were imprisoned. Bo Xilai has himself been the subject of allegations of corruption by several journalists outside China.

<sup>11</sup> There are unconfirmed reports that court officials involved in the attempted theft incident at Ferro-Alloy were arrested shortly after the outbreak of the March 2002 mass protests.

Third, the Ferro-Alloy Factory was formally declared insolvent by the Liaoyang government and the court on 5 November, 2001, and shortly thereafter, several constituent parts of the factory were sold off to contractors who had close personal links to the Director, Fan Yicheng, and to various local government leaders. The workers thereupon requested access to an official investigation and assessment report that the government had prepared on the Ferro-Alloy insolvency, but this request was never met. Three days later, all equipment, materials, and other assets at the plant were removed by the local authorities.

And fourth, the factory's bankruptcy package – unilaterally decided upon by management – pledged retirement benefits of Rmb 300 a month to all workers who had worked for the company for over 30 years and also to those workers who had suffered serious (grades 1-6) industrial accidents; the remaining workers were offered retrenchment compensation of Rmb 600 for each year of service. In addition, workers who had incurred permanent injuries from less serious industrial accidents were each to receive lump-sum compensation of between Rmb 3,000 and Rmb 6,000. The Director also promised to reimburse at least half of the long-standing wage arrears owed to workers by the end of 2001. Around half of the workforce, including over 100 management cadres (among them the official "trade union" chairman), were re-employed by the plant sections that had earlier been sold off. However, for the most part, the terms of this settlement package turned out to be little more than empty promises. Over 3,000 Ferro-Alloy workers found themselves left without a job and with many months of unpaid wage arrears still owed to them. They were also unable to draw any pension or unemployment benefits beyond Rmb 182 a month – the city's minimum living wage level. Contrary to what had been promised in the official bankruptcy package, moreover, families of workers killed in industrial accidents received only the miserly sum of Rmb 70 a month.

Since 1998, the workers at Ferro-Alloy had been organizing numerous petitions to demand that the government take action to investigate the on-going corruption and malpractices by the factory's senior management, and calling on it to provide the workers with all the social and financial entitlements still owed to them by various government departments. Faced not only with the local authorities' consistent failure to do any of these things, but also with the factory management's refusal even to implement the terms of its own redundancy package, the workers at Ferro-Alloy began to lose all patience, and the autumn of 2001 they took steps towards setting up their own independent workers' representative congress. Estimates of the number of workers involved in this "independent union" vary from several hundred to over a thousand, and it is said to have elected about a dozen representatives charged with the task of negotiating on the workforce's behalf with the government and the factory management. (Among those elected was Guo Xiujing, a Ferro-Alloy worker, and also her husband, Yao Fuxin, a laid-off worker from the Liaoyang Rolled Steel Factory.)

Over the subsequent weeks and months, these elected representatives took the workforce's complaints to all the relevant official bodies: the Party Disciplinary Inspection committee, the Court, the Procuratorate, the Labour and Social Security Department, and even to the Complaints Office of the State Council in Beijing. Occasionally, they received vague promises that their complaints would be looked into – but in fact, this never happened. (Their petition, as the Chinese saying has it, "fell like a piece of stone to the bottom of the ocean".) Meanwhile, the retrenched Ferro-Alloy workers continued to endure rapidly mounting wage, pension and medical arrears.

Finally, the Ferro-Alloy workers decided they were not going to endure these injustices in silence any longer, and that they now had no option but to fight – openly but peacefully – for their entirely legitimate demands. Having knocked patiently on the doors of so

many different government offices, all to no avail, the workers had lost faith in using the traditional and sole government-sanctioned channel of recourse available to them. From now on, they resolved to take their demands on to the streets, as a means of building direct public pressure on the local government. Between October and December 2001, therefore, the workers staged three public protest marches on the streets of Liaoyang, each involving between 1,000 and 3,000 demonstrators. But still the government made no response. Sometime in the beginning of 2002, the director of Ferro-Alloy, Fan Yicheng, was taken away for investigation by the authorities. But he was released three days later and apparently then resumed all his leadership positions at the factory, holding them right up until the time of his arrest in September.

### ***Spring 2002: The start of the Liaoyang worker protests, and the initial government suppression***

On 5 March, 2002, the protesting Ferro-Alloy workers published four open letters. One was addressed to the nation's top leader, President Jiang Zemin; one to the provincial governor of Liaoning, Bo Xilai; one to the Party committee and government of Liaoyang; and another to the city's workers and citizens. (See below, Appendix I, for a full translation of the open letter to President Jiang.)

Early on the morning of 11 March 2002, several thousand workers of Liaoyang Ferro-Alloy marched in the streets to protest against their plant's closure and to demand the resignation of Gong Shangwu, the Director of Liaoyang People's Congress.<sup>12</sup> They were joined by several thousand more workers from other collapsing factories, such as the Liaoyang Textile Factory, Liaoyang Piston Factory, Liaoyang Instruments Factory, Liaoyang Leather Factory and Liaoyang Precision Tool Factory. The demonstrators first went to the Liaoyang court and demanded that the chief judge and chief Procurator should come out and explain what they were doing to reduce corruption in the city. No official emerged. The workers then marched to the city's People's Congress office to demand Gong Shangwu's resignation. They continued on to the city government headquarters and held a rally there to express their anger about Gong Shangwu, rising corruption, and the increasingly dire straits of the Ferro-Alloy Factory's workforce. Officials from the city government offered to meet with the workers' representatives; but the protestors replied that they had already lost faith in the local government and would only negotiate with senior officials from the provincial-level or central government. This first demonstration was not interfered with by the police and so there were no injuries or detentions. (According to some eye-witness accounts, the police had been deployed to the railway line that day, for fear of an attempted blockade by the protestors. During 2001, protesting workers from the Liaoyang Three Star Machinery Factory and the Liaoyang Textile Factory had blocked the railway on two separate occasions for over an hour.)

The local government initially responded to the 11 March mass demonstration with an unusual degree of restraint and tolerance. The following day, a 12-member delegation of leading officials – including the Deputy Secretary of the Municipal Party Committee, two Deputy-Mayors, the Party Secretary of the Politics and Law Committee, the President of the Court, the Chief Procurator, and the Director of the Public Security Bureau – was dispatched to meet with the workers representatives. In the course of this meeting, Deputy-Mayor Chen Qiang, promised the workers that their complaints would be diligently looked into by the government; and he specifically pledged that no arrests of workers' representatives would occur. The senior Liaoyang officials were currently away on a trip, Chen said, but they would attend to the workers' grievances upon their return.

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<sup>12</sup> The night before the mass demonstrations, officers from the Liaoyang PSB went to the houses of the organizers and workers' representatives at around 11 pm. However, all the workers' representatives were staying elsewhere that night to avoid detention.

The workers were promised, moreover, that the city government had allocated Rmb 4.4 million in order to pay back their cumulative wage arrears.

Only five days after this seemingly quite constructive and conciliatory meeting, however, the government broke the first of its pledges to the demonstrators. On 17 March, the first of the workers' leaders, Yao Fuxin, was secretly detained by the Public Security Bureau (PSB). Three days later, on 20 March, three more workers' representatives, Xiao Yunliang, Wang Zhaoming and Pang Qingxiang, were detained when the police broke up a second large demonstration in front of the city government's offices demanding Yao's release.<sup>13</sup> On 21 March 2002, the city's Baita District PSB office served notices on the families of the four detainees, stating:

Yao Fuxin and the others have violated Article No. 296 of the Criminal Law of the People's Republic of China<sup>14</sup> on March 17. This office has detained Yao Fuxin on suspicion of illegal demonstration. He is now under detention in Tieling [Iron Peak] City Detention Centre.<sup>15</sup>

On 30 March, the families of the four detainees were notified by the Liaoyang PSB that their relatives had been formally arrested the previous day.

On 21 March, during a third demonstration carried out by over 1,000 workers to demand the release of their four detained representatives, two more workers were taken into custody by the police. One was Guo Suxiang (52), wife of the detained Pang Qingxiang; the other was a worker from a Liaoyang fabric factory who had merely asked the police on what grounds they had arrested Guo Suxiang. Both were reportedly released shortly afterwards.

Another worker's representative, Gu Baoshu, fared considerably worse. He was also taken into custody on 21 March, but managed to escape with the help of his fellow workers later that day from the government compound where he was being held by Gong Yi, the head of the Municipal PSB. For this, Gu was reportedly harassed and beaten by the police over the following days.

Soon after the 21 March demonstration, in order to avoid further arrests, the workers decided to suspend their public protests for the meantime, and instead to send several representatives, including Gu, to negotiate with the government for the release of Yao Fuxin and the other three detained leaders. (The police had been seen trying to hunt down several other workers' representatives during the 21 March protest, but they had already all gone into hiding.) On 16 April, at around 8:40 in the morning, Gu Baoshu heard a knock on his door. Seeing two strangers outside, and fearing that they might be individuals sent by corrupt local officials to take revenge on him, he immediately dialled 110 to alert the police. To his surprise, the two men proceeded to open the door with a key. When he asked them for identification, one of them replied: "Why do we need papers for your sort?" They then ripped out the telephone line, pushed Gu to the ground and beat him up. Taking two ties and a jacket from Gu's wardrobe, they wrapped the jacket around his head, fastened one tie around his neck and the other around his feet, and escorted him downstairs. They ran into a workers' picket in front of the building, but

<sup>13</sup> Yao Fuxin, Xiao Yunliang and Pang Qingxiang are all in their fifties, and Wang Zhaoming was then 39 years old; all but Yao are laid-off workers from the Ferro-Alloy Factory.

<sup>14</sup> Article 296 of the Chinese Criminal law: "Whoever holds an assembly, parade, demonstration without application in accordance with the law or without authorization after application, or does not carry it out in accordance with the beginning time and ending time, place, and road as permitted by authorities concerned, and refuses to obey an order to dismiss, thereby seriously sabotaging social order, those personnel who are in charge and those who are directly responsible are to be sentenced to not more than five years of fixed-term imprisonment, criminal detention, control or deprived of political rights".

<sup>15</sup> Interview broadcast on RFA on 22 March, 2002; also from [http://www.china-labour.org.hk/iso/article.adp?article\\_id=2384](http://www.china-labour.org.hk/iso/article.adp?article_id=2384).

a group of police stationed outside pushed aside the picketing workers and Gu was whisked away in a police car.

After the forcible removal of Gu Baoshu from his home, scores of his fellow workers from Ferro-Alloy began to gather around outside his block to enquire what had happened. The Chief Secretary of the city government quickly arrived at the scene and attempted to pacify the workers. Then and there, the workers submitted to him an application to stage a demonstration on Gu's behalf, threatening also that if Gu Baoshu was not promptly released and the application to demonstrate was not approved, they would either carry out a collective petitioning visit to Beijing or else they would blockade the railway line. Later that evening, Gu was released by the PSB after being given five yuan and a pair of flip-flops to see him on his way home.

### ***Summer 2002: Both sides dig in their heels***

Over the next few months, the Liaoyang workers – sometimes in their hundreds, sometimes in their thousands – continued to hold daily or weekly demonstrations in front of the city government offices to demand the release of their four detained representatives. On numerous occasions, the demonstrators tried to apply to the PSB for a permit to conduct public protest marches but these were always turned down. As the sensitive occasion of the May Day national labour celebration approached, the Chief Secretary of the Liaoyang government and the chairman of Liaoyang city trade union paid frequent visits to the family homes of the movement's main organizers and activists, in an effort to persuade them to back down. On 8 May, about 20 workers took the bold step of personally signing their names on an application to the PSB for a permit to demonstrate. The application was again rejected, but the workers held their rally anyway to demand the release of their representatives.

In May, about two months after the outbreak of the initial demonstrations and arrests, the chief of the Liaoyang PSB, Gong Yi, was replaced. It is not known if Gong's removal was linked to the authorities' handling of the demonstrations or not. On 17 May, the deputy mayor of Liaoyang, Chen Qiang, reassured the family of Yao Fuxin that he and the three other detainees would be released very soon, provided the workers ceased their demonstrations. Taking these words in good faith, the workers suspended their protest actions – but yet again, the promised releases failed to materialize. In mid-June, Chen told the Ferro-Alloy workers that he would be able to inform them within a week as to whether their detained representatives would soon be released or, if not, when they would face formal prosecution proceedings. Up until the time of the trial of the Liaoyang Two in January 2003, this promise too was never fulfilled.

In the months following the initial mass protests, the government took significant steps towards meeting some of the economic demands raised by the Ferro-Alloy Factory workers. Some medical expenses were eventually reimbursed, salaries in arrears began to be paid in instalments, and the workers' pension insurance cards were issued. Various kinds of one-off assistance, including payments of several hundred yuan or several sacks of flour, were also given by the government to especially poor families from Ferro-Alloy. An example of the somewhat random and token nature of government efforts at this time, however, can be seen in an initiative of the local branch of the All China Federation of Trade Unions. In early April, 2002, a notice was posted at the Ferro-Alloy Factory entrance advertising the recruitment of over 100 skilled workers and technicians by a "sound and strong" private enterprise.<sup>16</sup> According to the notice, this recruitment drive was "motivated by thoughts of helping the poor and caring for retrenched workers". The proposed terms of employment included: a monthly wage of Rmb 450 - 650 yuan, a Rmb 1.5 lunch, a 9.5-hour working day, and no rest on Saturdays or Sundays. The

<sup>16</sup> CLB, [http://big5.china-labour.org.hk/big5/article.adp?article\\_id=2289](http://big5.china-labour.org.hk/big5/article.adp?article_id=2289).