



## THE CHINA CHALLENGE

This is Part Two of a four-day series that explores the apple industry in China and how it affects apple growers in Washington. Inside today:

- On the farm in China, this hasn't been the best year for apples/ 7A
- A small, apple-growing village in the hills is difficult to reach/ 9A
- A comparison of some farm costs in China and in Washington/ 9A



Zhang Dongmei puts red Fuji apples into her picking basket in a thicket of trees along Guan Guang Road near the Ping Chang River, Shandong Province. Trees can be grown very close together because tractors aren't used in the orchards. This plot of 34 trees is owned by Jing Ru Ping. Pickers clip the stems off of the apples after each one is picked to keep the stems from bruising nearby apples. Pickers climb the short trees themselves; ladders are never seen in orchards.

# Apples feed economy

This year, for the first time, apple exports from China outpace the United States

**Y**ANTAI, China — It's 3 in the afternoon and despite laboring in her orchard since dawn, Jing Ru Ping is exuberant.

Standing amid a thicket of bushy trees barely higher than her head, she grins, points to branches sagging with premium-grade Japanese Fuji apples and grins again.

She estimates this small parcel of land — well under an acre — will

generate 15,000 yuan or \$1,829. When combined with her other trees, it will place her income well above that of other Chinese farmers.

And not far away she has three more small parcels, which won't come into full production for another year or two.

Laughing and joking, her crew of six women seems happy as well. Last year they were paid about \$1.80 per day. This year, pay rose by a third to \$2.40.

While they earn less than urban residents, apple growers are typically better off than other farmers. Cars may still be a dream for most,

but television antennas are now common in orchard villages.

Apples are responsible for other changes on the plains and gentle rolling hills south of Yantai in Shandong Province, where more apples grow than anywhere else in China.

Refrigerated-storage buildings, rare only a decade ago, now number in the hundreds. The more advanced controlled-atmosphere warehouses now can be counted in the dozens. And more of both are under construction.

A decade ago, there wasn't a juice plant in the Yantai region. Today, there are at least eight plants,

including one that's helping send record-shattering levels of apple-juice concentrate into the United States.

The boom dates to economic reforms in the late 1970s and early '80s. Those led to massive orchard plantings, established free-market prices and allowed many farmers to work land for themselves.

That unleashed a burst of economic enterprise not seen since before the Communist revolution a half-century earlier. By the early 1990s, China's apple production

SEE **ECONOMY** PAGE 8A

# Attacks intensify in Iraq

Three-day death toll at 70 as Iraqis working with Americans appear to be targets

By **NICK WADHAMS**  
THE ASSOCIATED PRESS

BAGHDAD, Iraq — Gunmen ambushed a bus carrying unarmed Iraqis to work at a U.S. ammo dump near Tikrit on Sunday, killing 17 and raising the toll from three days of intensified and bloody insurgent attacks to at least 70 Iraqi dead and dozens wounded.

The attacks, focused in Baghdad and several cities to the north, appeared to be aimed at scaring off those who cooperate with the American military —

whether police, national guardsmen, Kurdish militias, or ordinary people just looking for a paycheck.

The violence came just weeks after the United States launched major offensives aimed at suppressing guerrillas ahead of crucial elections set for Jan. 30. Later Sunday, several small Sunni Muslim groups joined more influential Sunni clerics in demanding that the vote be postponed by six months.

Sunday's bloodshed began when gunmen opened fire at the bus as it dropped off Iraqis employed by coalition forces at a weapons dump in Tikrit, 80 miles north of Baghdad, said Capt. Bill Coppernoll, spokesman for the Tikrit-based U.S. 1st Infantry Division. Coppernoll said 17 people died and 13 wounded in the attack.

Survivors said about seven guerrillas were involved, emptying their clips into the bus before fleeing. The bodies of the victims were brought to a morgue too small to hold them all; some were left in the street.

About an hour later, a suicide car bomber drove into an Iraqi National Guard checkpoint in Beiji, about 75 miles to the north, detonating his explosives-packed vehicle, Coppernoll said. Gunmen then opened fire on the position. Three guardsmen, including a company commander, were killed and 18 wounded, Coppernoll said.

Also Sunday, guerrillas ambushed a joint Iraqi-coalition patrol in Latifiyah, south of Bagh-

### Intel reform

■ Several lawmakers says it's time to pass a law/10A

SEE **IRAQ** PAGE10A

# Family claims deception in death of Pat Tillman

Friendly fire killed former NFL star; parents say Pentagon covering up mistakes

By **DAVID ZUCCHINO**  
LOS ANGELES TIMES

SPERA, Afghanistan — Pat Tillman died in the dark between two black boulders, halfway up a canyon wall, just below the mud farmhouse of Zamir Jan. To Jan, Tillman was just another American stranger. But to millions of people a

world away, the death of this man, who gave up a lucrative professional football contract to fight for his country, was an American tragedy.

At first, Pentagon officials said Tillman was killed by enemy fire. A month later, they said it was friendly fire, triggered by an enemy ambush. Today, more than seven months after Tillman died, even

that Pentagon conclusion is contradicted by Afghans who were there the night of April 22.

Afghan police and militia commanders here, along with local residents such as Jan, say U.S. Army Rangers overreacted to an explosion — either a land mine or road-

SEE **TILLMAN** PAGE 10A



Pat Tillman left a lucrative pro football career to serve in the Army. He died April 22 in Afghanistan.

Associated Press file

## Inside today



A penalty kick by West Valley graduate Annie Scheffer helped Notre Dame win a national soccer championship. Page 1C



There's a business boom on Fruitvale Boulevard, thanks to roadwork and tax incentives. Page 10C

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## Countdown



19 days until Christmas

Name: Maitlin Greiner  
Age: 4  
Town: Yakima  
Parents: Greg and Melissa Greiner  
How does Santa decide if you're naughty or nice? He stays up all the time to see us.



There won't be much sun today; there could be a rain or snow shower. See Page 2A.

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## TheChinaChallenge

# Apple farms benefit many

*Orchards are a source of pride for entire villages*



A man pushes a wheelbarrow loaded with apples through a small alley to his back yard in the small village of Beidouya, 40 miles west of Yantai in Shandong Province. The 300 families in this town grow some of the best apples in the area, but rough roads keep villagers from selling many of the apples to exporters.

**H**AO JIA ZHUANG, China — This hasn't been the best year for orchards, explains farmer Hao Tong You as he sets down a small bag of apples he's just picked.

A hard frost struck in April, cutting back the number of apples. Then came unusually heavy summer rains, which damaged the fruit's appearance.

Like anywhere, farmers here are at the mercy of forces beyond their control: weather, water, labor supply, government regulations and the pressures of distant markets.

Still, there are vast differences in the way apples are grown in the United States and China. Many Chinese orchards look different, but more importantly they rely on a remarkably intensive hands-on process.

At most, Hao harvests no more than a few hundred pounds a day. He selectively picks each apple, leaving smaller, paler ones to be harvested when they're larger and redder.

He snips each stem to prevent cutting or bruising other apples in storage. Each fruit is slipped through a sizing template before it's inserted into a protective nylon sock. Only then is the apple placed in a basket for the trip to the market. And these are only the final steps in a long, labor-intensive journey to harvest.

Orchards may appear vast from the roadside, but most are divided into tiny, individually managed plots. Farmers like Hao and his wife oversee an average of four to seven mu — a total of about one acre.

But that's enough land to make apple growers in Shandong Province better off than those raising other crops.

**S**tanding in one of the orchards surrounding the village of Wei Zhang, the town's manager takes a leaf in his hand. While not boasting, there's obvious pride in his voice.

This, he explains, is the way a healthy apple leaf should look and feel, Zhang Oinshan says.

Apples are a major force in the village's economy and have made life better for its farmers, he continues.

Fifteen years ago, few of the 300 families here owned a television set; now most do and a few are even getting computers, he said.

In the nearby town of Yang Chu, where apples account for 80 percent of its income, the local Communist Party secretary says all 30,000 residents have cable television in their homes.

In several rural towns south of Yantai, government and industry leaders say higher income from apples has allowed some families to move into new homes.

That was confirmed in the village of Er Jia — which calls itself the First Town of Apples. Retired farmer Ding Shan Zhen and his wife, Qi Xiang Mei, agreed that a nearby row of homes was abandoned after apple money permitted occupants to build new houses.

Apples have been more lucrative and that's benefited farmers as well as the village, Ding said as his wife looked after their grandchild, whose parents were working in the orchards.

The couple's home consists of a small kitchen area with two adjoining bedrooms. There's a television and a small gas-fired stove.

An exporter with extensive ties to the Yantai-area farming communities estimates the average apple family grosses \$3,658 annually, while spending about \$800 on such things as pesticides, fertilizer and paper bags.

The orchard family's income is about half of what an urban working couple in Guangzhou might earn. Still that's better than most other farmers, who make only a third of what urban-dwellers do.

**A** generation ago, communal farmers, laboring for what party officials called the common good, raised crops on government-owned land.

Ownership remains under the government, but economic reforms in the early 1980s saw many villages give families responsibility and benefits of running specific plots. Almost immediately, production and incomes began rising.

About the same time, a massive government-aided program to plant apple trees began.

By the early 1990s, China overtook the United States as the world's largest apple producer. By 1997, the volume had quadrupled. Today, apples grow on 4.7 million acres in eight provinces stretching about 1,000 miles from the Pacific Coast to Gansu Province.

The majority of apples — about 60 percent — are Japanese Fuji, which the government considered easy to plant and grow.

Previously, the government had set prices and collected a share of the crop.

Reforms that got under way in the late 1970s, allow the market to establish the price and level of demand. Rather than collect crops, the government applies a 12 percent tax on apple production.

But earlier this year, the government announced it was removing that tax — the intent is twofold: Make farming more profitable and keep farmers from fleeing for better-paying urban jobs.

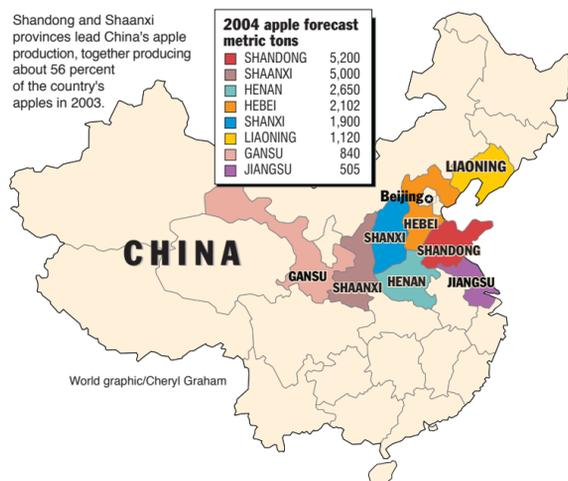
The reforms, which gave individual families control of their own plots, have not been universally embraced. In the village of Wanzikou, authorities continue to run their large orchard as a single block. This allows for more consistent management, which some buyers prefer.

Workers from the village are paid according to how well the orchard is doing. This year, authorities said, workers were getting about \$150 per month for harvesting — about the same as the av-

## China's apple-producing provinces

Shandong and Shaanxi provinces lead China's apple production, together producing about 56 percent of the country's apples in 2003.

2004 apple forecast metric tons	
SHANDONG	5,200
SHAANXI	5,000
HENAN	2,650
HEBEI	2,102
SHANXI	1,900
LIAONING	1,120
GANSU	840
JIANGSU	505



World graphic/Cheryl Graham



Small bits of foam, sticky on one side, are placed between red Fuji apples and nearby limbs to keep bruising and marring of the fruit to a minimum.

SEE FARMING PAGE 8A

# TheChinaChallenge

**RIGHT:** Hao Tong You sorts just-picked Fuji apples by size in an orchard belonging to the village of Hao Jia Zhuang in the Shandong Province. He says this year's crop isn't very good; a wet spring has hurt the quality.

**BELOW:** Farmer Liu Shusheng stacks Fuji apples into a trough in his orchard in Beidouya. Once the trough is filled, he'll cover the apples with fabric to protect them and keep them fresh to eat throughout the winter.



## FARMING/

Continued from Page 7A

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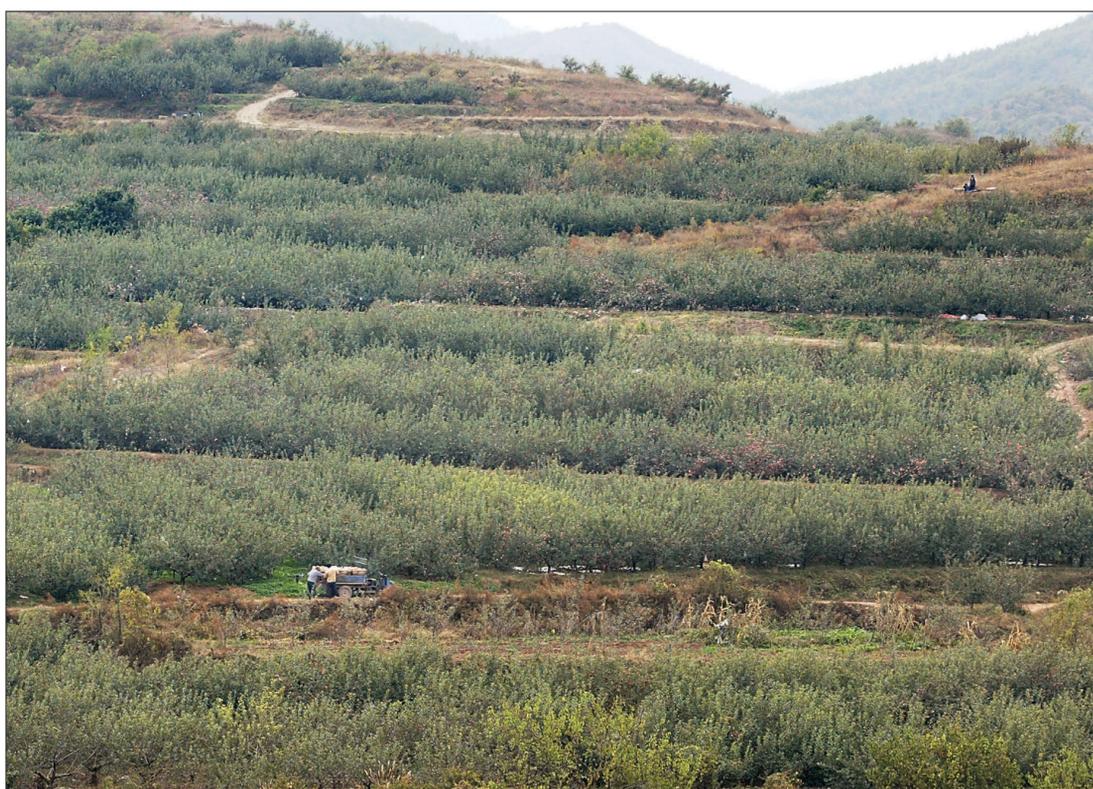
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The reforms, which gave individual families control of their



Apple trees are terraced around Yantai, the principle apple-exporting area in China. A benefit of terracing is that it allows more sunlight to reach the trees, say local farmers. But most orchards are not terraced.

## ECONOMY/

Continued from Page 1A

leapfrogged over the United States. Today, it's more than four times larger.

The Chinese are eating more apples than ever before, but they also are exporting record numbers.

China's exports soared by 1,709 percent between 1990 and 2002. This year, for the first time, China exported more apples than the United States.

China is also aggressively looking to open new markets, even in the United States.

Meanwhile, the government continues working to improve apple production. Farmers are getting tax cuts. In trying to lure packing and juice plants, local Communist Party officials sound like Central Washington boosters with offers of tax breaks and land deals.

While the results are most evident in the Yantai region of northern Shandong Province, similar development is taking place in other apple-growing regions across China.

However, enormous problems with transportation, storage and quality control must be overcome before the Chinese apple industry's full potential is realized.

There are also questions whether the huge labor force on which the industry now relies can remain competitive as the country's overall economy grows.

But given the accomplishments of the last 15 years, farmers and processors see little reason to be pessimistic.

**Tuesday:** Packers and Exporters  
**Wednesday:** What Does It All Mean?

# TheChinaChallenge



Farmer Ding Shan Zhen is framed by a bedroom door adjacent to the kitchen in the home he shares with his wife, Qi Xiang Mei. The only water supply to the house is a small faucet that empties into a barrel in the kitchen.



ABOVE: Qi Xiang Mei returns to the courtyard of her 20-year-old home after dumping dishwater in the chicken coop. She and her husband, farmer Ding Shan Zhen, live in the village of Er Jia, the First Town of Apples in Shandong Province. They look after their grandson while his parents work in their orchard.

RIGHT: An elderly woman carries apple-tree prunings to use as firewood in her home in Beidouya. In another area of Shandong Province, farmers grind the prunings, bundle them and cover them in a humid tent where edible mushrooms grow out of the wood pulp.



## Life in a farming village

**B**EIDOUYA, China — Reaching this village of 300 families in the hills south of Yantai requires negotiating miles of narrow, bone-jarring dirt roads.

But during the two months when apples are harvested from the terraced slopes above the village, a handful of apple buyers risk shock absorbers and mufflers to get here.

The village is hundreds of years old. Except for the power lines and television antennas, it seems to have changed little over time. Thick piles of corn dry atop the village's tiled rooftops. Old stone wheels once used to grind the corn into meal lay abandoned and half-buried along the roads.

Cars are rare. The few streets are narrow, unpaved and often steep.

And apples are everywhere. They're rolled down the hills in wheelbarrows or atop small three-wheeled tractors. They're piled up in alleys and sheds, and being buried in shallow pits for the coming winter. In ancient courtyards, families squat amid mounds of apples, sorting and grading the fruit.

It's quiet, except for the thwacking sound of women washing clothes in a nearby stream.

The village is an anomaly for northern Shandong Province, where most orchards grow on gently rolling plains.

Beidouya is more akin to villages in the interior province of Shaanxi, a more rugged area and the nation's second largest apple-growing region. As such, Beidouya is both blessed and cursed.

The terraced slopes on the surrounding hills mean better exposure to sunlight than apples grown in the thicket-like orchards of the flatlands.

The hills also get less rain. While parts of the Shandong Province crop were hurt by too much rainfall this summer, here water comes from controlled flows of ditch irrigation.

Finally, the higher elevation means cooler fall nights.

The combination of sunlight, water and tempera-

### Comparing farm costs

- Average number of hours worked in an acre of Washington state orchard per year: 200 hours
- Average number of hours worked in an acre of Chinese orchard per year: 1,347 hours
- Average per hour wage for orchard work in Washington state: \$10.27
- Average per hour wage for orchard work in China: 28 cents

Source: Jim Du Bruille of Wenatchee Valley College

tures means better color and texture for the fruit.

But the same elements that help create a superior apple cause other problems.

The village is only about six miles from a world-class, six-lane highway leading to the international port cities of Yantai and Qingdao. But by the time apples reach that highway, they will have bounced over miles of rough back-country roads and risked significant bruising. It's not a chance exporters who deal in the higher-valued premium apples will bother taking.

"The apples here are real nice. I just don't want to buy them because the roads are so bad that the apples get all bruised," said a buyer from Yantai.

Beidouya's dilemma is similar to a large part of Shaanxi Province, where many orchards grow in arid hills served by few good roads.

The consistent high quality of Shaanxi's apples makes many consider the region the future of China's apple industry. That's creating pressure for better roads despite the higher cost of building in rugged terrain.

Apples are Beidouya's only commercial crop. But with limited funds of its own, few think the village will be getting a paved road any time soon.

