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## Letter from the editor

This issue of *Workers of the World* signals the beginning of a partnership with DuEPublico, the Documentation and Publishing Division of the University of Duisburg-Essen, which will from now on shelter our online journal. As a result of this partnership, Professors Norbert Meder and Patrick Eiden-Offe, from the University of Duisburg-Essen, have joined our Editorial Board.

Issue no. 8 of *Workers of the World* had as guest editors Alexander Gallas and Jörg Nowack, from the University of Kassel, Germany, who organized a dossier on “Mass strikes in the global crisis” – the contents of this dossier are explained in the Introduction. We are also glad to include in this issue an article by Ravi Ghadge, from Kennesaw State University, on the Bombay textile strike of 1982-1983.

Our next issue will include a dossier, coordinated by José Babiano, of the Fundación 1.º de Mayo (Spain), on “trade unionism in the era of globalisation”.

*Workers of the World* is the journal of the International Association Strikes and Social Conflicts (<http://www.iassc-mshdijon.fr/>).

Articles for *Workers of the World* should be sent to the executive editor at [workersoftheworld2012@yahoo.co.uk](mailto:workersoftheworld2012@yahoo.co.uk).

António Simões do Paço  
Executive Editor

## **Introduction: Mass strikes in the global crisis**

*Alexander Gallas and Jörg Nowak*

**D**espite the fact that there have been spectacular strikes in many parts of the world since the inception of the global economic crisis in 2007-8, the news media and the academic public have mainly focussed their attention on street demonstrations and occupations of squares where the dominant regimes of crisis management were resisted. In our view, the negligence of strikes in accounts and analyses of the current cycle of protest is the flipside of a focus on middle-class mobilisations, which betrays the class bias of journalists and scholars alike. Moving beyond the silence on conflicts around work, we want to chart, in this special issue, the manifold forms of strikes that are occurring around the globe in a conjuncture of crisis. We contend that even if there is no evidence for an increase in strikes on a global scale, there are novel economic and political dynamics triggered by them that merit our attention.

### **The Continuing Economic and Political Relevance of Strikes**

It is quite common among political commentators and social scientists to infer from declining strike incidence in the global north that conflicts around work are a dying form of social confrontation.<sup>1</sup> Labour scholars have responded to this claim in various ways. Gregor Gall emphasises that

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<sup>1</sup> See for example PAKULSKI, Jan and WALTERS, Malcolm. *The Death of Class*. London: Sage, 1996, p. 86; MEYERSON, Harold. "If Labor Dies, What Happens Next?". *The American Prospect*. September 2012, <http://prospect.org/article/if-labor-dies-whats-next>.

workers nowadays often air their grievances with actions other than strikes, for example overtime bans or work-to-rule.<sup>2</sup> It follows that the decline in strike incidence in the global north cannot be equated with a decline in labour conflict, and that labour scholarship should not be focused exclusively on the strike weapon. Beverly Silver, in contrast, looks at the shifting geographical patterns of capital accumulation. She suggests that the shifts have led to a relocation of conflict from the old capitalist centres to “emerging” and newly industrialised economies, arguing that “*where capital goes, labour-capital conflict shortly follows*”.<sup>3</sup> This suggests that we should examine the question of labour conflict from a global perspective, which calls into question whether the assumption of a decline holds beyond the old centres.

Both observations are correct; however, it is also important to stress that the strike weapon is not an instrument of the past even in countries where strike incidence has declined markedly. In fact, large-scale strikes have been occurring around the globe in the wake of the global financial and economic crisis – not just in the “emerging” economies and the newly industrialising countries, but also in the old capitalist centres. Accordingly, the aim of our special issue is (a) to show that workers across the globe continue to resort to large-scale strikes – and, in so doing, cause significant economic and political upheaval, (b) to explore the motivations behind their decision to down tools, and (c) analyse the political-economic contexts in which strikes take place and the effects that strikes have on these contexts.

### **Analysing the North and South**

In line with our global orientation, this special issue contains three contributions looking in-depth at the global north and, more specifically, the Eurozone, and three that deal with “emerging” economies. It concludes with a comparative analysis of strikes in the global north and south.

The articles on the Eurozone cover France, Germany, Portugal and Spain. They converge insofar as they argue that the labour movements in these countries find themselves in a defensive position vis-à-vis the ruling blocs that exercise political and economic control. In a situation of deep crisis,

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<sup>2</sup> GALL, Gregor. “New Forms of Labour Conflict: A Transnational Overview”. In: ATZENI, Maurizio (ed.), *Workers and Labour in a Globalised Capitalism: Contemporary Themes and Theoretical Issues*. Houndmills: Palgrave, 2014, p. 210.

<sup>3</sup> SILVER, Beverly. “Theorising the Working Class in Twenty-First-Century Global Capitalism”. In: ATZENI, Maurizio (ed.), *Workers and Labour in a Globalised Capitalism...* Op. Cit., p.50.

workers try to defend themselves against onslaughts on their jobs, wages and working conditions as well as their social and political rights. At the same time, it becomes clear that the conditions of struggle vary greatly across the national borders inside the Eurozone.

Along these lines, Hugo Dias and Lídia Fernandes highlight in their contribution that the Portuguese governments and the EU responded to the Eurozone crisis by imposing austerity on the country, to which the unions reacted with defensive political strikes. In this situation, a shift in political opportunity structures took place, which was reflected, first, in the rapprochement of the unions and the social movements invested in the struggle against cuts and, second, in the transnationalisation of stoppages: there was a strike against austerity affecting the entire Iberian peninsula on 14 November 2012.

Similarly, Maria Gorosarri and Luciole Sauviat analyse the strikes in recent years against the dominant government strategies of crisis management in France and Spain. They argue that there is a marked difference in the dynamics of the strikes in these two countries: whereas the stoppages in Spain came close to a mass strike in a Luxemburgian sense with new forms of working class consciousness and organisation emerging, the same cannot be said of France.

Looking at Germany, Stefanie Hürtgen argues that the recent strike wave in the railway sector can be seen as a reflection of a deep-seated social crisis in the country. This crisis was born out of the deregulation and fragmentation of labour relations, and is reflected in the privatisation and marketisation of the German railway system. The “small” train drivers’ union GdL successfully led the opposition against the changes and did so by using the strike weapon. When the Merkel government responded by cracking down on the right to strike for smaller unions with a new law, the GdL managed to bypass this crackdown.

In the emerging economies, strike waves also occurred in recent years that had significant economic and political effects. In many cases, they follow more closely the pattern of traditional industrial action in the sense that they are confrontations with private employers and aim at improving wages and working conditions. Nevertheless, they have important political implications because they address the configurations of labour relations and the structures of domination in the countries in question.

Correspondingly, Jörg Nowak compares strikes and their links to political protest movements in Brazil and India. He highlights the fact that large

strike waves in the automobile industry (India) and the construction and public sectors (Brazil) preceded the emergence of political protest movements with significant middle-class involvement. These movements were directed against corruption and also, in the Brazilian case, against public transport fare hikes, the state of the public sector and the government in general. A key difference was that workers in India were more politicised than workers in Brazil; however, for the street protests, the reverse was true: Whereas the Indian activists just lambasted corruption, the Brazilian movement had a broader political agenda.

Luis Campos and Bruno Dobrusin analyse the development of labour conflict under the Kirchner and Dilma governments in Argentina and Brazil in recent years. They suggest that there were implicit arrangements between labour and capital and alliances between centre-left governments and trade unions in the run-up to the crisis. However, the precarious balance between the neo-developmental and neoliberal economic policies, which was installed by governments in both countries, could no longer be sustained once the countries faced economic difficulties from 2012 onwards. In turn, strike incidence surged and the pre-crisis arrangements and alliances eroded.

Looking at China, Tim Pringle also observes indications for growing worker militancy and strike incidence. In his view, this development has two effects: on the one hand, the Chinese union federation ACFTU is stepping up efforts to sustain its claim to represent workers; on the other hand, a layer of independent worker representatives is emerging that is supported by NGOs.

The contribution of Hermes Augusto Costa and Hugo Dias concludes the special issue. They take up the theme of the “general strike”, which is discussed in several of the other articles, and do so by engaging in a comparison across the North/South divide that focuses on Portugal and India. In their view, the general strike is a defensive form of struggle in the neoliberal age chosen because other means of influencing political decision-making are absent. In the Portuguese case, the strikes took place against the backdrop of the imposition of austerity through governments and the troika; in the Indian case, the background was the liberalisation of the economy and the insensitivity of governments to union demands in a situation of general economic insecurity. All in all, Costa and Dias say that unions in the north have much to learn from unions in the south in the sense that they have to reach out to marginalised and precarious sectors of the population.

## **Strike Waves across the Globe**

Obviously, it is beyond the scope of this editorial to complement these analyses with a complete account of the strikes waves around the world that took place since the crisis hit in 2007-8. Nevertheless, it is possible to give a cursory overview by listing some of the salient actions and conflicts.

In Western Europe, there were numerous one- or two-day political strikes against austerity in Europe in recent years. This was not just the case in Portugal, Spain and Greece – countries badly hit by the Eurozone crisis – but also in the UK, Iceland, Italy and Belgium. Furthermore, there was the four-week strike in reaction to the restructuring of the pensions system in France in autumn 2010, which affected, in particular, the transport sector and the oil refineries.<sup>4</sup> In Germany, the recent strike wave in the railway system was complemented by large-scale strikes of postal workers and nursery nurses.

In the US, there was not just a large protest movement against the restriction of collective bargaining rights in the US state of Wisconsin in 2011. Recently, “Fight for \$15”, a national campaign for a minimum wage of 15 dollars started by retail and fast food workers, is gaining traction. The campaign is underpinned by protests and strikes, which have been taking place across the country in the last few years.<sup>5</sup>

In emerging and newly industrialised economies, there were numerous significant industrial actions in recent years. In Egypt, substantial cross-sectoral strikes took place in the run-up to the Arab spring and in 2014. In South Africa, there was a miners’ strike in 2012; in the course of this stoppage, the Marikana massacre took place, where 41 workers were killed by the police. Furthermore, there was a five-month strike in the platinum mines in 2014. Apart from the stoppages in the Indian automobile factories and the Brazilian construction industry, there was a big strike in the Cambodian garment industry (2014) and wildcat strikes in the Turkish car industry (2015).<sup>6</sup>

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<sup>4</sup> GALLAS, Alexander, NOWAK, Jörg and WILDE, Florian (eds.). *Politische Streiks im Europa der Krise*. Hamburg: VSA, 2012. NOWAK, Jörg and GALLAS, Alexander. “Mass Strikes against Austerity in Western Europe – A Strategic Assessment”. *Global Labour Journal*, vol. 5., no. 3, 2014, pp. 306-21; GALLAS, Alexander. “Politisierte Streiks: Zur Dynamik und Deutung von Arbeitskämpfen in Großbritannien”. *Arbeits- und Industriosozologische Studien*, vol. 8, no. 2, 2015, pp. 67-91.

<sup>5</sup> COLLINS, Jane. “Theorizing Wisconsin’s 2011 Protests: Community-based unionism confronts accumulation by dispossession”. *The American Ethnologist*, vol. 39, no. 1, 2012, pp. 6-20; LUCE, Stefanie. “15\$ or Bust: An Appraisal of the Higher Wages Movement”. *New Labour Forum*, vol. 24, No. 2, 2015, pp. 72-79.

<sup>6</sup> BEININ, Joel and DUBOC, Marie. “The Egyptian Workers Movement before and after the 2011 Uprising”. *Socialist Register*, vol. 51, 2015, pp. 136-56.

Many of these strikes and protests attracted considerable attention in the political scene.<sup>7</sup> There were not just wide-ranging debates about their legitimacy and effectiveness, but also legal and policy initiatives aimed at restricting the right to strike – in the US, but also in European countries such as Britain, Germany, Greece and Spain, and at the level of the ILO. The initiatives to ban or restrict strikes show that they are still considered to have disruptive effects on the economic and the political level.

### Strikes of a New Quality?

Obviously, our list of strikes in the crisis constitutes anecdotal evidence. Actual numbers at the global level are hard to come by. The methods of measurement differ between countries, which also means that data are difficult to compare across national boundaries. Furthermore, they are incomplete and, in various cases, unreliable.<sup>8</sup> Finally, there is no definite, single method of quantifying strike action; numbers differ depending on which measure is used: the number of stoppages, the amount of days not worked due to stoppages, or the number of workers involved.

According to the European Trade Union Institute (ETUI), the number of days not worked in Europe was lower in 2011-13 than at any time in the 2000s (between 32 and 35 days per 1,000 workers); however, the number recorded for 2010 was the second highest in the same period (70 days).<sup>9</sup> The case of Brazil seems to be different: According to DIEESE, the Brazilian trade union think tank, strike incidence has gone up markedly in the country between 2008 and 2013. Likewise, data compiled by the ILO suggests that there has been a marked increase in strike activity in South Africa in recent years; however, the picture is less clear in the case of India. Moreover, there seems to be a significant decline in the US.<sup>10</sup> All in all, the existing numbers

<sup>7</sup> SILVER, Beverly. "Theorising the Working Class". Op. Cit., p. 46f. KARATAŞLI, Şahan Savaş; SEFIKA, Kumral; SCULLY, Ben and UPADHYAY, Smriti. "Class, Crisis and the 2011 Protest Wave: Cyclical and Secular Trends in Global Labor Unrest". In WALLERSTEIN, Immanuel; CHASE-DUNN, Christopher; SUTER, Christian (eds.). *Overcoming Global Inequalities*. London: Paradigm Publishers, 2015, pp. 184-200. SCHMALZ, Stefan; LIEBIG, Steffen; THIEL, Marcel. "Zur Zersplitterung des sozialen Konflikts in Westeuropa: Eine Typologie nichtnormierter Kämpfe um Arbeit". *Arbeits- und Industriesoziologische Studien*, vol. 8, no. 2, November 2015, pp. 49-66.

<sup>8</sup> GALL, Gregor. "New Forms of Labour Conflict". Op. Cit. p. 213. SCHMALZ, Stefan; LIEBIG, Steffen; THIEL, Marcel. "Zur Zersplitterung des sozialen Konflikts...". Op. Cit., pp. 49-66.

<sup>9</sup> ETUI (2015) Strikes in Europe, Version 2.1, available at: <https://www.etui.org/Topics/Trade-union-renewal-and-mobilisation/Strikes-in-Europe-version-2.1-January-2015> (accessed 8 January 2016).

<sup>10</sup> ETUI (2015) Strikes in Europe, Version 2.1, available at:



are inconclusive; there appears to be no clear quantitative trend concerning strike activity at the global level.

However, it is also possible to ask whether there are qualitative changes to strikes – which would also explain why there is a long list of memorable actions and the renewed attention to strikes in the political scene. In our view, it is possible to observe several such changes. These concern the political context of strikes, the actors involved, the tactics and strategies chosen, and the overall dynamics triggered. Both in the contributions to this special issue and other recent literature on strikes, we find five noteworthy patterns:

1. *Geographical expansion*: Various strikes in recent years expanded beyond their initial sectoral or geographical extension; individual strikes were perceived as being linked, which transformed them into strike waves. In “emerging” and newly industrialised economies such as Egypt, China, Brazil and South Africa, there was a rapid and uncontrolled geographical diffusion of strikes at the national level. This suggests that the control of trade union apparatuses over strikes was limited, and that the stoppages were not triggered by the official mechanics inherent in the national labour relations frameworks. And yet, they mostly stayed within the confines of national territories.<sup>11</sup>
2. *Constituency*: The people on strike often were not part of what is often conceived of as the classical union constituency of permanently employed industrial workers. In some cases, the overlap was in fact very limited. In Europe as well as in Brazil, South Africa and India, significant public sector strikes took place. These were carried, among other groups, by civil servants, medical doctors and teachers – professions often seen as being “middle class” or even “upper middle class”. The fact that the public sector has become an important site of strikes in recent years also means that

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<https://www.etui.org/Topics/Trade-union-renewal-and-mobilisation/Strikes-in-Europe-version-2.1-January-2015> (accessed 8 January 2016);

ILOSTAT, Days not worked due to strikes and lockouts by economic activity, [https://www.ilo.org/ilostat/faces/help\\_home/data\\_by\\_subject/subject-details/indicator-](https://www.ilo.org/ilostat/faces/help_home/data_by_subject/subject-details/indicator-details-by-)

[subject?subject=&indicator=STR\\_DAYS\\_ECO\\_NB&datasetCode=&collectionCode=YI](https://www.ilo.org/ilostat/faces/help_home/data_by_subject/subject-details/indicator-details-by-subject?subject=&indicator=STR_DAYS_ECO_NB&datasetCode=&collectionCode=YI) (accessed 8 January 2016); DIEESE (2015) Balanço das greves em 2013, <http://www.dieese.org.br/estudosepesquisas/2013/estPesq79balancogreves2013.pdf> (accessed 19 February 2016).

<sup>11</sup> An exception is the wave of political strikes in the countries hit by the Eurozone crisis: there was an awareness of workers in other countries taking similar actions and, in the case of the Iberian general strike on 14 November 2011, at least one instance of a transnational strike.

the general public is affected in a more direct fashion by stoppages, which may be part of the explanation why strikes are debated more at the political level even if the numbers have not gone up in some countries and regions. Importantly, the changes in the constituency of strikes does not just reflect a shift from the private to the public sector. If the strikes occurred in more traditional, industrial sectors, precarious and contract workers were often the protagonists, for example automobile workers in India, miners in South Africa, and migrant workers employed in the industrial sector in China. These workers in many cases managed to forge close links with permanent workforces during their actions.

3. *Relations of representation*: The shift in the constituency of strikes was accompanied, in various countries, by tensions between the established trade union bureaucracy and the strikers, who called into question the legitimacy of existing unions and their claim to represent workers. This pattern is observable in particular in the global south, for example in Brazil, China, Egypt, South Africa and Vietnam, but also, to some extent, in Europe: the railway strike in Germany was carried by a small, “professional” union that is not part of the DGB, the big union federation in Germany.

4. *Repression*: Violent crackdowns have always been part and parcel of the repertoire with which state authorities have tried to deal with stoppages, but there seems to be an escalation in recent years, both in terms of how repressive state apparatuses have intervened in strikes, and in terms of recent developments concerning the right to strike at the legal and policy level. In Spain and France, several trade unionists are standing trial and facing prison because of their involvement in strikes and protest against dismissals; in Brazil, the national guard was called on several occasions to repress strikes of construction workers in 2011 and 2012; India witnessed the imprisonment of almost 150 workers at the carmaker Maruti in July 2012 and the arrest of more than 40 workers at the Honda plant in Thapukhera in February 2016; and the Marikana massacre in South Africa in August 2012 also stands out. This is flanked by active attempts to restrict the right to strike, both at the level of the ILO and at the level of national governments. The employers represented at the ILO have been pushing for an interpretation of convention no. 87 that does not include a right to strike. In Britain, a trade union bill has been passed in the House of Commons that creates a new threshold for ballots, making it exceedingly difficult for unions to go on strike. In Germany, a bill has passed parliament that bars “minority” unions from going on strike.
5. *Political context*: The political conditions under which strikes take place have changed significantly. In an environment of repression, strikes take on a political dimension almost by default because they defy the authorities; if they happen in the public sector, this is also the case because the government is the employer or controls the employer directly.

All in all, we contend that what we are witnessing is a return of the “mass strike” broadly in line with Rosa Luxemburg’s understanding of the term. Apart from mass participation, she argued that mass strikes veer between economic and political goals and have a discernible impact on the political scene; that they have a mobilising character for the working class as a whole; and that they are not controlled by union bureaucracies and spread beyond their geographical starting point or the sector where a strike was called. In a nutshell, a mass strike lays bare the class antagonism and the class domination inherent in any capitalist social formation by creating a situation of polarisation between labour and capital: “What results is a huge,

colourful image of a general confrontation between labour and capital, which reflects (...) the variegation of the social whole in its entirety”.<sup>12</sup>

Importantly, however, the working classes in many countries around the globe seem to be on the defensive in the current conjuncture – which is different from the historical context of Luxemburg’s analysis, the Russian Revolution of 1905. The mass strike for Luxemburg was the lightning rod of the revolution; what we are seeing today is the attempt by workers to respond to the offensives of capital launched across the globe in the wake of the crisis. This calls for the renewal of a materialist theory of the mass strike, which sheds teleological assumptions about its revolutionary character and takes on board the qualitative shifts observed.

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<sup>12</sup> LUXEMBURG, Rosa. *Politische Schriften*. Leipzig: Reclam, 1970, p. 151. (author’s translation).

## **The November 2012 general strike and anti-austerity protests – analysis from the Portuguese case**

*Hugo Dias and Lídia Fernandes*

### **I**ntroduction

The 2008 economic and financial crisis added to the intensification of global-scale disgruntlement, swelling a protest wave that shook the world.<sup>1</sup> Following an early rise of contention, protests and demonstrations intensified from 2010 on, with opposition to austerity policies as a mobilizing cause and championing, in particular, claims related to economic justice, the welfare State and labour. In Portugal, the first signs of mobilization came from the labour movement, although the emergence of new actors allowed the movement to widen its social influence. Two tendencies were witnessed: the innovation of repertoires, including the introduction of new forms of collective action, but also retrieving, in renovated fashion, old instruments of struggle – namely, strikes; and a relevant growth of mobilization, namely by picking common dates for actions or working to expose the role of international political and financial institutions, such as the International Monetary Fund (IMF), the European Central Bank (ECB) or the European Union (EU).

This article reflects on the 14 November 2012 transnational general strike in order to examine the role of general strikes in this wave of protests. The study of this episode<sup>2</sup> aims to explore its insertion in this period's contentious politics,

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<sup>1</sup> ORTIZ, I.; BURKE, S.; BERRADA, M. & CORTÉS, H. *World Protests 2006-2013*. Initiative for Policy Dialogue and Friedrich-Ebert-Stiftung, New York. Working Paper, 2013.

<sup>2</sup> TILLY, C.; TARROW, S. *Contentious Politics*. Boulder: Paradigm Publishers, 2007.

regarding its transnational dimension<sup>3</sup> but also concerning the relationship between different actors – particularly between trade unions and new political actors. This event has been defined differently as to its nature and scale – general strike,<sup>4</sup> European general strike<sup>5</sup> or even “an internationalist impulse emerging with the Iberian general strike (...) and the extraordinary social mobilizations throughout Europe”.<sup>6</sup> The analysis derives from the following questions: To what extent did it represent a new strategy for the actors involved? What are the limits and potentials of this strategy? Did it represent a mere sum of national protests or was it a transnational European protest? What were its impacts on socioeconomic conflicts in contemporary Portugal, and in the framework of the EU?

To render an account of the specificity of the new protest cycle, we chose to consider approaches from two fields of study that have been traditionally disassociated – union studies, on the one hand, and social movements studies, on the other. Singular approaches have accomplished very little in contributing to renovating social critique and considering the increasingly porous and intertwining nature between kinds of collective action and social conflict. Thus, this article begins by addressing the shifts in the power bases of organized labour, aiming to identify their strategic challenges and possibilities for the renewal of collective action. Moreover, the authors present an overview on the politics of contention in Portugal, on the eve of and during the anti-austerity protests which took place between 2010 and 2013, and highlight some of the main traits of the political, economic and social context in which they occurred. Lastly, this article will seek to contribute to clarify the nature of this episode, raising issues that can deepen the study of the role of general strikes as a strategic instrument for the working classes.

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<sup>3</sup> TARROW, S. *The New Transnational Activism*. New York: Cambridge University Press, 2006.

<sup>4</sup> ACCORNERO, G.; PINTO, P. R. ““Mild Mannered”? Protest and Mobilisation in Portugal under Austerity, 2010–2013”. *West European Politics*. Vol. 38, n.3, 2015, pp. 1–25.

<sup>5</sup> ESTANQUE, E.; COSTA, H. A.; SOEIRO, J. “[The new global cycle of protest and the Portuguese case](#)”. *Journal of Social Science Education*. Vol.12, n.1, 2013, pp. 31-40; ORTIZ et. al. *World Protests 2006-2013*. Op. Cit.

<sup>6</sup> CAMPOS LIMA, M. da P.; ARTILES, A. M. “Descontentamento na Europa em tempos de austeridade: da ação colectiva à participação individual no protesto social”. *Revista Crítica de Ciências Sociais*. n. 103, 2014, pp. 137–172.

## 2. Shifts in power bases of organized labour

Unions are a historic product of the dominance of waged-labour as a basis for the organization and structuring of social relationships in the capitalist mode of production. They emerged, broadly speaking, during the death rattle of the “The Springtime of the Peoples” in 1848, as part of an anti-systemic movement,<sup>7</sup> founded on class struggle. They took an increasingly important role during the last three decades of the nineteenth century and first half of the twentieth century, as lead actors in the struggles for the decommodification and self-protection of society. (New) social movements, on the other hand, can be traced back to the emergence of rifts and sources for social conflict, previously concealed, which have taken on a more significant role since the 1960s, especially in the central capitalist countries.

May 1968 can be viewed as a pivotal moment. It comprises three dynamics possessing a differentiated range and temporality: the beginning of the United States' long decline in the inter-state system; the end of an extraordinary economic growth cycle that commenced after the Second World War; and the depletion of traditional anti-systemic movements which, in central capitalist countries, were associated to the “Old Left”.<sup>8</sup> These countries were based on so called “affluent” societies wherein, due to an unprecedented combination of democracy and capitalist economy,<sup>9</sup> their conflicts would no longer be governed by the conditions which had characterized the nineteenth century. However, these societies were not free from criticism and contradictions. The late 1960s and early 1970s formed a period marked by a phase of strong collective mobilization, which lost its momentum roughly around 1973, but nonetheless left an indelible imprint.

Zooming in on labour, during the period between 1968 to 1973 there was a simultaneous peak in labour conflicts and grassroots militancy, often taking place outside of the institutions of industrial relations, accompanied by open criticism of traditional union leaderships. As a consequence, the heterogeneity of the working class was made evident, as was the protagonism of social critique and artistic critique, and sometimes its fusion, even in sites of production.<sup>10</sup>

The consensus around democratic capitalism had been shattered by the critique of the institutional “Old Left” - including the trade unions.

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<sup>7</sup> WALLERSTEIN, I. “New Revolts Against the System”. *New Left Review*. Nov-Dec 2002, pp. 29–39.

<sup>8</sup> ARRIGHI, G.; HOPKINS, T. K.; WALLERSTEIN, I. *Antisystemic movements*. London: Verso, 1989.

<sup>9</sup> STREECK, W. “The crises of democratic capitalism”. *New Left Review*. Sept-Oct 2011, pp. 5-29.

<sup>10</sup> BOLTANSKI, L.; CHIAPELLO, E. *The New Spirit of Capitalism*. London: Verso, 2007.

Nonetheless, this also concurred with freeing the right wing from this commitment to the consensus. The first response by the employers was a reinforcement of negotiation mechanisms with unions, on a company level, and the development of neo-corporatist arrangements, at a macro level. Yet additional costs attributable to the concession of new benefits to workers, together with an ever-increasing difficult economic situation, lead to a search for new solutions that would restore profit rates. It was within this context that neoliberalism arose as a political alternative, which implied a great deal of “creative destruction” and the rise of a new subjectivity.<sup>11</sup>

A key element towards neutralizing social critique was the weakening of organized labour. Economic globalization reasserted the classical disjunction between capital mobility and labour localization<sup>12</sup> while the “new spirit of capitalism” was built by incorporating elements from the artistic critique, creating a second individualist revolution.<sup>13</sup>

The 1980s and 1990s saw a consolidation of these processes. Deconstructing the Fordist wage relation led to a weakening of the power bases of the unions: the restructuring of production contributed to the demise of big industrial concentrations, thanks to spatial and technological fixes, the accelerated economic shift to the service sectors went along with particularities which rendered collective workers' organization harder; and pressures for the flexibilization of labour relations increased. Overall strike activity declined<sup>14</sup> and the public sector became the new “bulwark” for unions.

Although it was not a process of historical decline, the crisis of a specific type of unionism – industrial/national<sup>15</sup> – moved the unions' capacity for strategic reflection and change to the top of the agenda in order to regain the ideological initiative, enlarge the playing field<sup>16</sup> and regenerate solidarity to

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<sup>11</sup> HARVEY, D. *A Brief History of Neoliberalism*. New York: Oxford University Press, 2005.

<sup>12</sup> [TILLY, C. “Globalization threatens labour’s rights”. \*Internacional Labour and Working Class History\*. Vol. 47, 1995, pp. 1–23.](#)

<sup>13</sup> BOLTANSKI, L.; CHIAPELLO, E. *The New Spirit of Capitalism*. Op. Cit., p.199.

<sup>14</sup> GALL, G. “A review of strike activity in Western Europe at the end of the second millennium”. *Employee Relations*. Vol. 21, n. 4, 1999, pp. 357-377.

<sup>15</sup> WATERMAN, P. “Social Movement Unionism: a new model for a new world order”. *Review*. Vol. 16, n. 3, 1993, pp. 245-278.

<sup>16</sup> WEVER, K. S. “International Labour revitalization: enlarging the playing field”. *Industrial Relations*. Vol. 37, n. 3, July 1998, pp. 388-407.



overcome fragmentation and the radicalization of differences.<sup>17</sup> It is within this scope that new strategies for union revitalization<sup>18</sup> were experimented with, focusing, among other things, on organizing, on coalition building and on international solidarity.

Portugal is usually seen as an intermediate-developed or semi-peripheral society. The democratic advent of the 25 April 1974 was the historical turning point which led both to the end of Portuguese colonialism and to a break with a nearly five-decade long authoritarian political regime. This had made Portugal a country with a late and incipient industrialization process, an economy dependent on the colonies' raw materials and markets, the restriction of public freedoms, unions controlled by the corporatist regime and a practically non-existent welfare system. In the next 40 years, but in a more concentrated fashion during the first fifteen years of democracy, Portugal lived through a historical short-circuit in which different types of social regulation were rehearsed during a short period of time: from the fascist corporatist state it transitioned to socialism, then to Fordist regulation and, since its 1986 membership in the European Union, to neoliberal regulation.<sup>19</sup> The institutional changes associated with the integration in the Economical and Monetary Union (EMU) and the financialization of the economy<sup>20</sup> precipitated a process of "peripheralization" in relation to the centre of Europe and particularly Germany. Similar mechanisms have been verified in such processes in other Southern European countries.<sup>21</sup>

Portuguese unionism also developed in a counter-cyclical fashion in relation to the central countries of Europe, but followed the same temporal pattern of Spain and Greece: 1) it experienced a period of rising collective mobilization in the 1960s and 1970s in an authoritarian regime; 2) during the second half of the 1970s, while tripartite social negotiations were the common rule in Europe and mass layoffs started in the industries of central European economies, Portuguese unions were experiencing their greatest

<sup>17</sup> HARVEY, D. *Justice, Nature & the geography of Difference*. Oxford: Blackwell, 1996; HYMAN, R. "How can trade unions act strategically?" *Transfer - European Review of Labour and Research*. Vol. 13, n. 2, 2007, pp. 193–210.

<sup>18</sup> FREGE, C. M.; KELLY, J. (eds.) *Varieties of Unionism – strategies for union revitalization in a globalizing economy*. Oxford: Oxford University Press, 2004.

<sup>19</sup> SANTOS, B. S. "Teses para a renovação do sindicalismo em Portugal, seguidas de um apelo". In: ESTANQUE, E. et al. (eds.), *Relações labourais e sindicalismo em mudança – Portugal, Brasil e o Contexto transnacional*. Coimbra: Quarteto, 2004, pp. 161-180.

<sup>20</sup> REIS, J.; RODRIGUES, J.; SANTOS, A.; TELES, N. "Compreender a Crise: A economia portuguesa num quadro europeu desfavorável". In: *Anatomia da Crise: Identificar os problemas para construir as alternativas* [Internet]. Observatório das Crises e Alternativas. Lisboa: Centro de Estudos Sociais (CES), 2013.

<sup>21</sup> GAMBAROTTO, F.; SOLARI, S. "The peripheralization of Southern European capitalism within the EMU". *Review of International Political Economy*. Vol. 22, n. 4, 2015, pp. 788-812.

moment of collective mobilization and action under the influence of a class-oriented discourse; 3) “old” social movements were young, having been established after the democratic advent, while the arising “new” social movements were weaker; 4) finally, since the 1980s – when macro-economic regulation mechanisms fell into crisis, neoliberal discourse emerged and the state attempted to deregulate and distance itself from the historical compromise of social negotiations – social accords were institutionalized in a period where production relations were already increasingly flexibilized.<sup>22</sup>

Portuguese unions have been historically divided by a political and ideological schism. The majority of the trade union movement is affiliated to two central trade unions: the General Confederation of Portuguese Workers (Confederação Geral dos Trabalhadores Portugueses – CGTP) and the General Workers’ Union (União Geral de Trabalhadores – UGT). CGTP displays a profile of classist unionism. It was created as its predecessor Intersindical, still during the “Estado Novo” (“New State”) dictatorship in 1971, and is strongly influenced by the Communist Party (PCP). The UGT, on the other hand, favours a social partnership unionism, seeking to promote workers’ social integration. It was created in 1978 by a group of unions which drifted away from the CGTP, with links to the Socialist Party (PS – Partido Socialista) and the Social Democratic Party (PSD – Partido Social Democrata).<sup>23</sup>

As to international affiliations, both are members of the European Trade Union Confederation (ETUC), established in 1973. UGT became, shortly after its birth, a member of the International Confederation of Free Trade Unions ICFTU (1979), the ETUC (1983) and later the International Trade Union Confederation (ITUC). As for the CGTP, it has kept close ties to the World Federation of Trade Unions (WFTU), although it was never formally a member. The trade union’s membership in ETUC was attained only in 1995<sup>24</sup> and it has so far not joined the ITUC.

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<sup>22</sup> SANTOS, B. S. “Teses para a renovação do sindicalismo em Portugal, seguidas de um apelo”. Op. Cit. pp. 161-162.

<sup>23</sup> ROSA, Teresa. *Relações Sociais de Trabalho e Sindicalismo Operário em Setúbal*. Porto: Edições Afrontamento, 1998; SANTOS, B. S. “Teses para a renovação do sindicalismo em Portugal, seguidas de um apelo”. Op. Cit. p.171.

<sup>24</sup> COSTA, H. *Os desafios da globalização ao sindicalismo: contributos para uma perspectiva portuguesa*. (Tese de Mestrado em Sociologia). Coimbra: Faculdade de Economia, 1997.

Union membership and union density achieved their peak in 1978. Union density fell from 54.8% in 1980 to 32% in 1989 and, during the 1990s, the drop was less drastic due to the increase in public sector union membership. According to OECD data, between 1999 and 2000 union membership rates fell from 22.5% to 19.3%, rising again to 20.5% in 2012. The CGTP is still the largest trade union, claiming 537,000 members in 2008, compared to UGT's 210,000 members.<sup>25</sup>

Strikes are one of the fundamental elements of a trade unions' collective action repertoire. Halting production – or threatening to do so – is the ultimate instrument to act against an unfair situation and to exert pressure on behalf of a favourable solution for workers. The right to strike was gradually recognized, not without resistance, and embedded in the national system of industrial relations. Formal restrictions to its exercise have been increasing and its use has been made more difficult thanks to the growing informality and precariousness of labour relations. This does not signify that strikes have not occurred, even outside the legal framework. Protests and political general strikes, on the other hand, have largely targeted the state when it instituted changes corresponding to a significant shift in labour and production relations.

Portugal saw strikes reach their historical apex in 1981, decreasing from then on to the historical minimum in 2007, although the available statistical data underestimates the numbers by excluding public sector strikes. The years after 2010 witnessed a growth in labour conflicts, noticeable with the rise in the number of strikes and of striking workers, in what might constitute an inversion, albeit temporary, of the historical tendency to decline.<sup>26</sup> Between 1975 and 2009 there were only five general strikes: on 12 February and 11 May 1982, both called by the CGTP alone; on 18 March 1988, by both trade unions; 10 December 2002 and 30 May 2007, called solely by the CGTP.<sup>27</sup> Resorting to political general strikes has characterized the unions' action in the age of austerity in Portugal and other Southern European countries, albeit with a mainly defensive character.<sup>28</sup> When the

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<sup>25</sup> EurWORK. Trade union membership 2003–2008, 2009. (2015). [<http://www.eurofound.europa.eu/observatories/eurwork/comparativeinformation/trade-union-membership-20032008>]

<sup>26</sup> COSTA, H. A.; DIAS, H.; SOEIRO, J. “As greves e a austeridade em Portugal: Olhares, expressões e recomposições”. *Revista Crítica de Ciências Sociais*. n.103, 2014, pp. 173-202.

<sup>27</sup> ACCORNERO, G.; PINTO, P. R. “‘Mild Mannered’? Protest and Mobilisation in Portugal under Austerity, 2010–2013”. Op. Cit.

<sup>28</sup> GALL, G. “Quiescence continued? Recent strike activity in nine Western European economies”. *Economic and Industrial Democracy*. Vol. 34, 2013, pp. 667-691; ORTIZ, I.; BURKE, S.; BERRADA, M. & CORTÉS, H. *World Protests 2006-2013*. Op. Cit.; NOWAK, J.; GALLAS, A. “Mass Strikes Against Austerity in Western Europe – A

strike is carried out in the traditional way of paralyzation at the entrance to the factory, it is limited by the increasing difficulties in using its structural and associational power<sup>29</sup> due to the exclusion of a growing number of people from formal wage relations.

The “new” social movements, fragile or nonexistent in the 1960s and 1970s, also saw an upsurge in Portugal in a counter-cycle when compared with the central countries of Europe. Although it already had a long story, the feminist movement increased its social weight from the 1990s onwards<sup>30</sup> and achieved an historical victory (through a referendum) when abortion was decriminalized in 2007 – i.e., on the eve of the financial crisis. The same can be said for the LGBT movement which, having been marginalized for several decades, was able to emerge at the turn of the millennium, as a way of practicing a sexual citizenship.<sup>31</sup> Anti-racist mobilizations, which had gained momentum when confronted with skinhead attacks in the early 1990s and the discrimination against gypsy populations, was, meanwhile, faced with a new and thriving grassroots immigrant movement, against “Fortress Europe”, which demands, as it does all across Europe, “papers for all”. An anti-systemic ecologist movement also arose, mobilizing against genetically modified organisms and denouncing the climate crisis.

Europeanization, as a project of the elites, was met with increasing pressure from below,<sup>32</sup> a fact that was also reflected in domestic activism and politics. Propelled by the new internationalism born somewhere between Chiapas and Seattle, transnational mobilization reached a peak in Portugal with the movement against the war in Iraq in 2003. And, similarly to what happened across Europe, it was in counter summits and social fora that the Global Justice Movement (GJM) aimed to nourish its social bases. This process was not without its contradictions and was characterized by the simultaneous emergence, vitally, of two types of significant tensions in the

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Strategic Assessment”. *Global Labour Journal*. Vol. 5, n. 3, 2014, pp. 306-321; , 2014. CAMPOS LIMA, M. da P.; ARTILES, A. M. “Descontentamento na Europa em tempos de austeridade: da ação colectiva à participação individual no protesto social”. **Op. Cit.**

<sup>29</sup> WRIGHT, E. O. “Working-Class Power, Capitalist-Class Interests, and Class Compromise”. *American Journal of Sociology*. Vol. 104, n. 4, 2000, pp. 957–1002.

<sup>30</sup> [TAVARES, M. \*Feminismos: Percursos e Desafios \(1947-2007\)\*. Lisboa: Texto Editora/Leya, 2011.](#)

<sup>31</sup> SANTOS, A. C. *A Lei do Desejo. Direitos Humanos e Minorias Sexuais em Portugal*. Porto: Edições Afrontamento, 2005.

<sup>32</sup> Della Porta, D.; CAIANI, M. *Social movements and Europeanization*. Oxford: Oxford University Press, 2009.

reticular logic of the “Movement of movements”<sup>33</sup>: local vs global and unity vs diversity. The incapacity to build unity in diversity involving movements with fairly different dimensions, cultures and organizational weight ended up in the failure of the Portuguese Social Forum after two editions – 2003 and 2006.

This failure resulted in important problems on the side of the trade unions. Firstly, because a three-decade long increase in social inequalities and the prevalence of individualization-fragilization over individualization-emancipation<sup>34</sup> had tabled the urgency to renovate sources of indignation, implying mutual recognition and alliance-building capacity. Secondly, because it left a blurry dispute between “class” and “identity” which recalls the persistence of the problem in demarcating borders in the formation of class identities<sup>35</sup> – a particularly noteworthy issue when political, economic and social changes had destabilized the prior identities.<sup>36</sup> So the “reencounter” of both trade unions and new dynamics of collective action in contentious anti-austerity politics had problematic contours and was not at all taken for granted by the actors involved.

### 3. Anti-austerity protests, 2010-2011. From union struggles to the emergence of new actors

If the financial crisis constituted a factor in the intensification of disgruntlement, austerity was the *leitmotiv* in the mobilizations that shook Portugal between 2010 and 2013. After a brief expansionist phase, austerity was inaugurated in Portugal in March 2010 by the announcement of the PS government to follow a Programme for Stability and Growth 2010-2013 (PEC-I) which indicated, on the one hand, the constitution of wage deflation as a political instrument and, on the other, a radical and impressive suspension of public investment and an equally impressive extension of privatization.<sup>37</sup>

Unions were active in the first signs of resistance and resurgence of protests.

<sup>33</sup> PEREIRA, I. “Movimentos em rede: biografias de envolvimento e contextos de interacção”. (Tese de Doutoramento em Antropologia). Lisboa: ISCTE-IUL, 2009.

<sup>34</sup> FITOUSSI, J.-P.; ROSANVALLON, P. *Nova Era das Desigualdades*. Oeiras: Celta, 1997.

<sup>35</sup> SILVER, B. *Forces of Labour – Workers’ Movements and Globalization since 1870*. Cambridge: Cambridge University Press, 2003.

<sup>36</sup> POLLETA, F; JASPER, J. M. “Collective identity and social movements”. *Annual Review of Sociology*. Vol. 27, 2001, pp. 283–305.

<sup>37</sup> COSTA, A.; CASTRO CALDAS, J. A. “União Europeia E Portugal Entre Os Resgates Bancários E a Austeridade: Um Mapa Das Políticas E Das Medidas”. In: *A Anatomia Da Crise: Identificar Os Problemas Para Construir as Alternativas*. Observatório sobre Crises e Alternativas. Lisboa: Centro de Estudos Sociais, 2013, pp. 72-107.

Initially, the private sector had taken on a higher profile in protests over pay and layoffs.<sup>38</sup> Yet the public sector still played an important role in mobilisation, initially in education, and there were some signs, although fluctuating, of an uncoordinated cooperation between unions affiliated both to CGTP and UGT,<sup>39</sup> the most visible being the national public sector strike on 4 March 2010. The protests escalated and extended, which was visible on the streets, and the 29 May 2010 protest called by CGTP stands out as one of the largest demonstrations that has been organized in Portugal so far. At this point, in the Portuguese Parliament the austerity packages were strongly contested by the left wing parties, the PCP and the Left Bloc (BE – *Bloco de Esquerda*).

Late 2010 and early 2011 were marked by important shifts in the structures of political opportunity.<sup>40</sup> A first factor for such changes arose precisely from the field of the unions. Still in 2010, after the summer, a new package of measures (PEC-III), to be included in the State Budget for 2011, was announced. PEC-III was opposed by CGTP and UGT and constituted the basis of the 24 November general strike in 2010 – the second general strike called by the two union confederations in 20 years, and the first to be called by UGT against a PS government.<sup>41</sup> This would be the first general strike in a series of five in less than three years – from November 2010 to June 2013 – a number larger than that of all the general strikes that took place in the previous three decades (1975-2007). It also reveals the emergence of a new cycle of union protests, characterized by the scaling up and spread of labour conflicts, the politicization of the unions' agenda and the emergence of internationalist momentum.<sup>42</sup> By early 2011, there was a new surge of

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<sup>38</sup> ACCORNERO, G.; PINTO, P. R. “‘Mild Mannered’? Protest and Mobilisation in Portugal under Austerity, 2010–2013”. *Op. Cit.*

<sup>39</sup> STOLEROFF, A. “Employment Relations and Unions in Public Administration in Portugal and Spain: From Reform to Austerity”. *European Journal of Industrial Relations*. Vol. 19, n. 4, 2013, pp. 309-323.

<sup>40</sup> ACCORNERO, G.; PINTO, P. R. “‘Mild Mannered’? Protest and Mobilisation in Portugal under Austerity, 2010–2013”. *Op. Cit.*

<sup>41</sup> CAMPOS LIMA, M. da P.; ARTILES, A. M. “Descontentamento na Europa em tempos de austeridade: da ação colectiva à participação individual no protesto social”. *Op. Cit.*

<sup>42</sup> *Ibid.* A few days before the general strike, the Portuguese Finance Minister Teixeira dos Santos stated to the *Financial Times* that it was possible that Portugal would have to request the EU's financial aid. The declarations opened a long period of speculation and agitation around that possibility, as the capacity for public debt refinancing deteriorated. DEGRYSE, C. *The New European Economic Governance*. Brussels: European Trade Union Institute, 2012. With the bailout of other peripheral countries – Greece (May) and Ireland (November) – as the background, the threat of external intervention became part of the

strikes which involved both the public and the private sectors.<sup>43</sup>

The turbulent internal context was accompanied by the worsening of the crisis in the Euro Area and the introduction of new institutional innovations aiming to increase budget discipline and control, which, combined with successive speculative attacks, intensified the pressure to apply austerity measures.<sup>44</sup> The PS government replied to the double pressure – both external and internal – with a dual approach which combined collective bargaining and unilateral decisions<sup>45</sup>: the government achieved a written compromise with all the employers’ organizations and UGT – leaving aside CGTP – on the pact on employment and competitiveness and, on 12 March 2011, on the day of the “Geração à Rasca” protest, it announced a new austerity package (PEC-IV).<sup>46</sup>

The rejection of this new austerity package by a broad variety of social and political sectors, and an increasing division within the political elite precipitated a political crisis. On the streets, unions were no longer the only ones to demonstrate. The rise of new actors – as seen on 12 March –, even if somewhat unclear as to their political standpoint, characterized the mobilisation. As to the unions, both confederations opposed the austerity package, voiding the mini-agreement made a few days earlier. Lastly, contrary to what had happened with previous PECs, the PS government could not count on the largest opposition party, the right-wing party PSD, to pass a new austerity package. On 23 March 2011, Prime Minister José Sócrates had to face the rejection of PEC-IV in parliament and he announced his resignation. On 6 April, faced with the national banks’ denial to finance the state, the resigning Prime Minister announced he had called the European Commission (EC) for financial assistance, as a last chance solution.<sup>47</sup> The “Memorandum of Understanding on specific economic

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national political agenda.

<sup>43</sup> CAMPOS LIMA, M. da P.; ARTILES, A. M. “Descontentamento na Europa em tempos de austeridade: da ação colectiva à participação individual no protesto social”. **Op. Cit.**; ACCORNERO, G.; PINTO, P. R. “‘Mild Mannered’? Protest and Mobilisation in Portugal under Austerity, 2010–2013”. *Op.Cit*

<sup>44</sup> DEGRYSE, C. *The New European Economic Governance*. *Op. Cit.*

<sup>45</sup> CAMPOS LIMA, M. da P.; ARTILES, A. M. “Descontentamento na Europa em tempos de austeridade: da ação colectiva à participação individual no protesto social”. **Op. Cit.**

<sup>46</sup> “Geração à Rasca” (“The Desperate Generation”) was a protest called through a Facebook event by four young persons, that took precariousness and unemployment as central issues. For a detailed analysis of this movement see BAUMGARTEN, B. “Time to get Re-Organized! The Organizational Structure of the Portuguese Anti-Austerity Protests”. Unpublished paper based on the presentation *Social movement organizing and protests against austerity in Portugal*, University of Roskilde, Denmark, 28 April 2014, and ESTANQUE, E.; COSTA, H. A.; SOEIRO, J. “[The new global cycle of protest and the Portuguese case](#)”. *Op. Cit.*

<sup>47</sup> For full analysis of the nature of the debt crisis see DEGRYSE, C. *The New European Economic Governance*. *Op. Cit.*; [LAPAVITSAS, Costas](#); [KALTENBRUNNER, A.](#);

policy conditionality” (MoU), backed by the PS, PSD and the Popular Party (CDS-PP, CDS Partido Popular) was signed by the outgoing Portuguese government and the “Troika” on 3 May 2011. Thus, Portugal became the third country to be subject to a joint intervention of a troika composed of the EC, the ECB and the IMF. On the 5 June 2011 Legislative Elections, the two right-wing parties (PSD and CDS-PP) achieved a majority in parliament and formed a government.

Considering the shifts that happened during this period, the acute reconfiguration in the political opportunity structures must be highlighted and how these visibly exposed the consequences of the rise of a political and regional system where sovereignty, traditionally based on the nation-state, is shared with, or dislocated to, a supranational structure. In that sense, there is a special resonance, today, of the question raised in 1996 by McAdam et al.<sup>48</sup>: What would the contentious politics in such a structure look like? And how would it affect the essential heritage of the consolidated state, the national social movement (NSM)? In view of these conditions, the case in study – the 14 November 2012 general strike – motivates yet another question: since the general strike was directed at the state, what shape can that repertoire of collective action take within this framework of a reconfiguration of the political opportunities structure, heightened by the intervention of a troika comprised of agencies of that same supra-national structure (EC, ECB) and one of the main institutions for neoliberal globalization (IMF)? Before answering this question, we will explore new developments arising in collective action, mainly due to non-union actors.

#### 4. From “*geração à rasca*” to the anti-troika mobilisations

The “*Geração à Rasca*” protest placed Portugal on the map of a new cycle of protest and demonstrations<sup>49</sup> with the emergence of new actors, a

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[LINDO, D.; MICHEL, J.; PAINCEIRA, J.; PIRES, E. & TELES, N. Eurozone Crisis: Breaking Up? A Route Out of the Eurozone Crisis. London: Research on Money and Finance, 2011;](#) REIS, J.; RODRIGUES, J.; SANTOS, A.; TELES, N. “Compreender a Crise: A economia portuguesa num quadro europeu desfavorável”. Op. Cit.; GAMBAROTTO, F.; SOLARI, S. “The peripheralization of Southern European capitalism within the EMU”. Op. Cit.

<sup>48</sup> MCADAM, D.; TARROW, S.; TILLY, C. “Para Mapear o confronto político”. *Lua Nova* (online). n. 76, 2009, pp. 11–48. [<http://www.scielo.br/pdf/ln/n76/n76a02.pdf>]

<sup>49</sup> ESTANQUE, E.; COSTA, H. A.; SOEIRO, J. “[The new global cycle of protest and the Portuguese case](#)”. Op. Cit.



reconfiguration in the demands and organization of the mobilisations, as well as an innovation in repertoires of action.<sup>50</sup> Aside from the large influence exercised by the Internet, very open to transnational spaces,<sup>51</sup> one can emphasize the growing visibility of “artivism” where creativity played a role in personal and collective awareness raising.<sup>52</sup>

This cycle of mobilizations resulted in a paradoxical reconfiguration of the structures of mobilization. On the one hand, it involved non-union social actors who, operating on the periphery of traditional unions and political structures, asserted themselves in previous decades based on post materialist values and identity-related issues, although what they placed now at the centre of their agenda of demands were materialist demands, namely those related to labour.<sup>53</sup> In Portugal, non-union actors turning to labour issues began in the second half of the 2000s<sup>54</sup> – especially due to the onset of an alternative May Day celebration and of precarious workers’ organizations –, but soon grew in social and political impact. For example, one of the first initiatives that aimed to continue the debate and action after the “*Geração à Rasca*” demonstration was the launch of a petition against precariousness. On the other hand, considering their young age and social basis, with categories that unions have displayed less capacity to mobilize – such as precarious workers or the unemployed – as well as their impact on the Portuguese political scenario, unions had to rethink their relationship with these movements.<sup>55</sup>

The contagion effect of the 15M movement in Spain could be seen in the protests’ transnational imprint, which was consolidated through *brockage* mechanisms.<sup>56</sup> Transnational connections were simultaneously grassroots

<sup>50</sup> BAUMGARTEN, B. “Time to get Re-Organized! The Organizational Structure of the Portuguese Anti-Austerity Protests”. Op. Cit.; SOEIRO, J. “A formação do Precariado: Transformações no trabalho e mobilizações de precários em Portugal”. (Tese de Doutoramento em Sociologia: Relações de Trabalho, Desigualdades Sociais e Sindicalismo) Coimbra: Faculdade de Economia da Universidade de Coimbra, 2015.

<sup>51</sup> ESTANQUE, E.; COSTA, H. A.; SOEIRO, J. “[The new global cycle of protest and the Portuguese case](#)”. Op. Cit. BAUMGARTEN, B. “Time to get Re-Organized! The Organizational Structure of the Portuguese Anti-Austerity Protests”. Op. Cit.

<sup>52</sup> Mourão, R. *Ensaio de artivismo*. Lisboa: Museu Nacional de Arte Contemporânea - Museu do Chiado, 2014. Retrieved from [<http://www.ruimourao.com/>]

<sup>53</sup> ESTANQUE, E.; COSTA, H. A.; SOEIRO, J. “[The new global cycle of protest and the Portuguese case](#)”. Op. Cit.

<sup>54</sup> SOEIRO, J. “A formação do Precariado: Transformações no trabalho e mobilizações de precários em Portugal”. Op. Cit.

<sup>55</sup> ACCORNERO, G.; PINTO, P. R. “‘Mild Mannered’? Protest and Mobilisation in Portugal under Austerity, 2010–2013”. Op. Cit./ CAMPOS LIMA, M. da P.; ARTILES, A. M. “Descontentamento na Europa em tempos de austeridade: da ação colectiva à participação individual no protesto social”. **Op. Cit.**

<sup>56</sup> Brockage refers to a production of a new connection between previously unconnected or weakly connected sites. Interestingly, the 15M movement in the Spanish state had previously been inspired by the “*Geração à rasca*” demonstration to create the framework of

and mediated by the new media<sup>57</sup> as in the case of the occupation of Lisbon's main square, *Acampada do Rossio*.<sup>58</sup> A particularly significant example was the international meeting, held in Lisbon in July 2011, promoted by *Acampada do Rossio*, which contributed towards the preparation of the global 15 October action in 2012.<sup>59</sup> This involvement in transnational mobilization also contributed to a “*framing transformation*” process<sup>60</sup> making way for a realignment with the Global Justice Movement and producing a *boundary shift* – the 99% against financial elites.

Immediately after the 15 October demonstration, the movement started focusing on a type of claim making that directly addressed the unions – e.g., to call for a national general strike and a public demonstration on the same day, which was done on 24 November 2011. They also adopted a national framework. Despite this convergence in demands, the mobilisations were characterized by earlier established mistrust between the different political and social actors. After 24 November, the internationalist momentum that had been seen throughout this period suffered a significant break. The October 15<sup>th</sup> Platform (15O) in Portugal went through fragmentation

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the “no future generation”. In the reverse direction, the influence included democratic and organizational experimentation with assemblies as the main organizational element. BAUMGARTEN, B. “Geração à Rasca and beyond. Mobilizations in Portugal after 12 March 2011”. *Current Sociology*. Vol. 61, n. 4, 2013, pp. 457-473; BAUMGARTEN, B. “Time to get Re-Organized! The Organizational Structure of the Portuguese Anti-Austerity Protests”. Op. Cit.

<sup>57</sup> DELLA PORTA, D. “Mobilizing against the Crisis, Mobilizing for ‘another Democracy’: Comparing Two Global Waves of Protest”. *Interface: a journal for and about social movements*. Vol. 4, n.1, 2012, pp. 274-277.

<sup>58</sup> Beginning on 20 May 2011, the *Acampada do Rossio* included a smaller (less than 100 persons) and more ephemeral occupation of public space (11 days) than the *Acampadas* in the Spanish State. It also did not achieve the popularity that the 15M movement gained in the Spanish state, but the assemblies held in the *Acampada* did have a considerable contribution to the claim making in this period - fighting for rights “against the constant oppression of the ruling economical-financial system” -, in the subjects of work, debt, housing or culture. It should be noted that in the social basis of *acampada* there was a strong presence of an estrangement from unions: “We aren't against politics but we don't represent any party or union”. *Acampada Lisboa*. First Manifesto of the Rossio Square, 22 de Maio de 2011, [<https://acampadalisboa.wordpress.com/manifesto/>].

<sup>59</sup> At the meeting, which brought together about 130 *Acampada* activists from several European countries and several national and international organizations, they declared “the will to carry out an international mobilization that will take thousands of people to the streets dissatisfied with the political and economic systems”. *Acampada Lisboa*. *Acorda Portugal*, 11 de Julho de 2011, 2011b [<https://acampadalisboa.wordpress.com/2011/07/11/940/>].

<sup>60</sup> BENFORD, R. D.; SNOW, D. A. “Framing Processes and Social Movements: An Overview and Assessment”. *Annual Review of Sociology*. Vol. 26, 2000, pp. 611–639.

processes and internal splits – it ended up, a few months later, as an activist group<sup>61</sup> and despite attempts aimed at promoting cooperation between (severely fragmented) groups, there was a period of demobilization.<sup>62</sup> Large mobilizations returned in September, with the 15 September 2012 demonstration “Que se lixe a troika! Queremos as nossas vidas!” (“Screw the troika! We want our lives [back]!”). Called in August by a closed group of 29 activists, including artists and public figures, it displayed a more focused and strategic organizational plan. Thus, it aimed to avoid the trap of never-ending debates that had plagued the organizational process of 15O.<sup>63</sup> The goal was not to conquer participants in order to include them in an organizational process, but to ensure maximum mobilization for demonstrations. Despite this, initiatives taken beyond the organizational core grew and multiplied, as defended by the symbolic *framing* of *Que se Lixe a Troika* (QSLT). Later, in 2013, one of the more significant actions were the “grandoladas”, inaugurated during direct actions when a group of people interrupted the the Prime Minister by singing “Grândola”, a historically symbolic song associated with the 1974 Portuguese Revolution. In that sense and in spite of the international references in terms of opponents – the Troika – the demonstrations tended to use a national framing. A new effort towards the transnationalisation of the protest occurred in June 2013, which at that time was in a phase of demobilisation. Meanwhile, as the general strike gained wide social support, there was a concentrated, but significant coalition formed.

### **5. General strike: the People's Square, #14N and the European public sphere**

When the national council of CGTP decided on 3 October 2012 to call a general strike for 14 November, it did not call for a transnational European demonstration. The action was aimed at the government, adopting a national class identity framing: defending the workers’ and people’s interests within the democratic regime and continuing the achievements of the April 1974 revolution. The EU was only superficially mentioned, as a part of “the foreign troika” with whom the memorandum, “truly a program of

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<sup>61</sup> BAUMGARTEN, B. “Time to get Re-Organized! The Organizational Structure of the Portuguese Anti-Austerity Protests”. Op. Cit.

<sup>62</sup> The reasons for this significant break of the internationalist momentum are certainly an interesting topic for future research and analysis. A relevant focus would be on the 15O movement in four episodes (in addition to the 15 October) – the general strikes on 24 November and 22 January; the general strike on 22 March; and the Global Spring demonstration on 15 May –, demonstrating its insertion into contentious politics. Ibid., gives some important insights concerning the bases of these social movements.

<sup>63</sup> Ibid.

aggression against the workers and the People”, was signed. The call was strategically inclusive and aimed to encompass, without mentioning them, the new emerging actors and forms of action that surpassed the space of production: male and female workers, the retired, young people, the unemployed and various sectors, “along with all of those who, through their action in the workplace and presence in the streets, avenues and squares throughout the country, strengthen and give substance to the struggle”, which had “as its main goal to put an end to this policy and this government, before this government and this policy put an end to the country”.<sup>64</sup> Declaring their class identity, CGTP simultaneously addressed the society in general, the “People”, in what became the “symbolic footprint” of collective action of this period.<sup>65</sup>

The European framing arose about a fortnight later, with the decision by the executive council of the ETUC to also schedule on the 14 November a day of action and solidarity, aiming to mobilize the European union movement. The *call* was far less antagonistic than CGTP’s, stressing the need for social dialogue and collective bargaining, but it paved the way towards a unique process of transnationalisation of a general strike, which had a very significant impact on contentious politics. The ETUC’s initiative placed the conflict on a multi-sector level, charging the EU and IMF with “miscalculation” which would have “an unmeasurable impact on daily life of workers and citizens that ETUC represents” and questioning the austerity policies promoted by the Budgetary Treaty and the Troika.<sup>66</sup> The Spanish *Union General de Trabajadores* (UGT) and the *Confederación Sindical de Comisiones Obreras* (CCOO) soon responded to the European call,

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<sup>64</sup> CGTP. Resolução do Conselho Nacional da CGTP-IN: contra a exploração e o empobrecimento; Mudar de política – por um Portugal com futuro, 3 de Outubro de 2012. [<http://www.cgtp.pt/trabalho/accao-reivindicativa/5539-cgtp-in-convoca-greve-geral-para-14-de-novembro-de-2012>].

<sup>65</sup> BENFORD, R. D.; SNOW, D. A. “Framing Processes and Social Movements: An Overview and Assessment”. Op. Cit. This symbolic footprint became clearer at the rally held on 11 February 2012 that filled “Palace Square” (*Terreiro do Paço*), one of the largest squares of Lisbon, at a time of demobilization of the social actors that emerged in the new global cycle of mobilization. The episode was a trial of strength led by the new leader of CGTP, Arménio Carlos, elected in January: “There is no surrender here” (*Aqui não há rendição*) and “The IMF does not boss around here” (*FMI não manda aqui*) are some of the most catchy phrases of his speech. About a year later, on 2 March 2013, it was the QSLT that filled the Palace Square in a demonstration under the moto: “Screw the troika! The People rule!” (*Que se lixe a Troika! O Povo é quem mais ordena!*).

<sup>66</sup> ETUC. ETUC day of action and solidarity for a Social Compact for Europe. 17 Oct 2012. [<http://www.etuc.org/a/10439>]

announcing the first Iberian general strike in history.<sup>67</sup> Expectations for new endorsements by other organizations grew, allowing speculation as to the scale of the “general strike”. On the day of the protest, 40 unions from 23 countries, according to ETUC, endorsed the action although, other than in the Iberian dimension, there was no clear mobilization of organized labour that would make an European general strike out of this episode. This, however, did not stop the protests to become known online by the tag #14N – EUROPEAN STRIKE – with all the symbolic and relational weight that “online” had in this cycle of mobilization.

In Portugal, this process of transnationalisation of protests was important enough to widen the basis of social and political support for the use of this instrument of collective action. In fact, and despite the deepening of the anti-labour element in the troika’s program that justified the intensification of the struggle, the previous general strike, which had occurred in March 2012, had had few endorsements, and was criticized by several political and union sectors, particularly from the UGT, and included episodes of tension and mistrust. Additionally, the new emerging political actor (QSLT) had not taken the initiative to call for a general strike in September, as 15O had done in the previous year. Subsequently, after the CGTP had called the 14 November general strike, QSLT did not take a stand on the subject.

UGT at first declared that the strike of November 2012 called by CGTP was divisive and sectarian, but the evolutions in transnational collective action forced the UGT to reevaluate its stance, in a curious contortionistic exercise: it “will not join this CGTP strike”, but would support the day of action and solidarity. Defining “austerity for austerity’s sake” as the line that separates the terms of confrontation, it chides a government that is often “more *troik-ist* than the troika” and the pressures of the presidents of the IMF and France.<sup>68</sup> More than reasserting the transnational trait of the conflict, UGT’s declaration seemed to point towards a strategy of externalizing the strike by introducing external targets. Nonetheless, there was an undeniable widening in the basis of support to the strike. In all, fourteen unions and four federations, members of UGT, and even its Secretary-General, João Proença, joined the strike.<sup>69</sup>

The way QSLT ended up connecting with the general strike’s contentious

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<sup>67</sup> It should be noted that these trade union confederations had proposed, as early as 2011, the holding of a European general strike.

<sup>68</sup> UGT. “Resolução Do Secretariado Nacional OE 2013 – UGT Contra a Austeridade Pela Austeridade.” 24 Oct. 2012. [[www.ugt.pt/SN\\_24\\_10\\_2012.pdf](http://www.ugt.pt/SN_24_10_2012.pdf)].

<sup>69</sup> João Proença justifies that “The Confederation gave to their trade unions the possibility to freely join the strike. Some trade unions have declared converging strikes, as was the case of my union. Whenever my union declares strike, I also strike”. *Jornal de Notícias*, 2012.

politics is particularly interesting. Using Angela Merkel’s visit to Portugal as an opportunity, scheduled for two days prior to the strike, QSLT addressed an open letter to the German Chancellor, declaring her to be *persona non grata*. Resorting to a specialized and legally defined term used in diplomacy constituted an ingeniously creative way to turn the tables in the game of restraining transnational protest, usually played by the government: in this case, it was the social movement and not the government or the EU that defined who should be allowed in or stopped at the border. Moral legitimacy in this public statement was framed nationally, as the Chancellor was accused of “interfering with the decisions of the Portuguese state, while not democratically mandated by its inhabitants”. Nonetheless, it did not derive from any nationalist or much less any chauvinist claim. The public statement connected concerns about democracy with economic worries, exposing the neoliberal agenda of the Chancellor and her business entourage. And, recalling how the so called “German Miracle” was built historically on debt relief and a brutal wage reduction, it constituted a salute to kindred European peoples to stand up and strike, collectively, against “the governments that betrayed the trust placed in them” and against austerity, imposed by the troika. The open letter, which was translated into Spanish, German, French, Greek, Italian and English and widely disseminated, also contributed to the expectations for a politicization of the conflict, placing it in the European public arena.<sup>70</sup> The document contends, therefore, that:

Your entourage may try to ignore us. The European Commission, the International Monetary Fund and the European Central Bank may try to ignore us. But we are more and more, Mme. Merkel. Here and in all countries. Our protests will be stronger and stronger. We become more aware of reality every day. The stories you have all told us were always awkward and now we know they were full-out lies. We are awake, Mme. Merkel. You are an unwelcome guest.<sup>71</sup>

The 14 November 2012 strike was defined by CGTP as “one of the greatest Days of Struggle undertaken in our country until today and, surely, the largest General Strike in this century”.<sup>72</sup> As mentioned above, after the

<sup>70</sup> DELLA PORTA, D. “Reinventing Europe. Social Movement Activists as Critical Europeanists”. In: TEUNE, Simon (ed.) *The Transnational Condition. Protest Dynamics in an Entangled Europe*. New York: Bergham Books, 2010, pp. 113–128.

<sup>71</sup> [QSLT. “Carta aberta a Angela Merkel”. 08 Nov. 2012. \[http://carachancelermerkel.blogspot.pt/\].](http://carachancelermerkel.blogspot.pt/)

<sup>72</sup> [CGTP. Greve Geral afectou todo o país. Comunicado de Imprensa N.º 095/12. 19 Nov 2012, 2012b. \[http://www.cgtp.pt/informacao/comunicacao-social/comunicados/5838-](http://www.cgtp.pt/informacao/comunicacao-social/comunicados/5838-2012_2012b)

historical low point of 2007, regarding the numbers of strikes and of striking workers, this tendency was reversed in subsequent years. In 2012, these numbers had grown back to the highest level since 1994. Reports confirmed the official strike numbers. In fact, the extent and dimension of mobilization for the strike on the 14 November was very comprehensive, indeed massive in all public sectors, but also quite significant in the state's private and entrepreneurial sector. In the public transport sector, it was a record-breaking strike, with more than 85% of workers in the main urban centers on strike.<sup>73</sup>

However, the distinctive and unique element here was the wide social support for the strike. Besides the unions and QSLT, new and old actors, from the most diverse sectors, supported the strike, whether in the mobilization process – featuring, notably, the affirmation of a strike not only as a legitimate right, but also as a citizen's demand –, or in the great variety of actions that connected the space of production to public space, a hybrid public space, to adopt a concept used by Castells.<sup>74</sup>

The Internet became an essential means for sharing and spreading information. Numbers, statements, photos and videos were published and spread within a viral logic that is uncommon in the classic repertoire. Practical information on how to participate in the strike and scheduled actions were shared, coercion and repression were exposed and numbers of strikers and strike related actions in multiple locations – from all European countries where the action and solidarity days were promoted – were presented.

Strike pickets, involving the solidarity and participation of activists from various social sectors, were held in many workplaces, from the night before the strike until mid-morning. This effort to cooperate was not new to this cycle of mobilization, as it had been tried the year before, but it was now broadened. The public space was occupied through the innovative combination of several repertoires: from strike pickets in workplaces and itinerant pickets on the streets to a march in Lisbon that aimed to bring unions and several political actors together.

Efforts to limit the right to strike appeared before the 14 November with the government imposing a malicious interpretation of minimum services. 14 November saw a more violent type of repression, as police intervention affected several strike pickets and the itinerant picket on the streets of

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[greve-geral-afectou-todo-o-pais\].](#)

<sup>73</sup> [http://www.dn.pt/inicio/economia/interior.aspx?content\\_id=2884947&page=1](http://www.dn.pt/inicio/economia/interior.aspx?content_id=2884947&page=1).

<sup>74</sup> ESTANQUE, E.; COSTA, H. A.; SOEIRO, J. “[The new global cycle of protest and the Portuguese case](#)”. Op. Cit.

Lisbon. At the end of the day, in front of the Parliament, in a strange scenario of contention, and responding to a group of about ten people throwing stones at the police barrier for more than half an hour, riot police began a general “sweep” operation over two kilometers, which resulted in several injured people – including elderly people – and the arrest of 120 persons. It remains unclear what the exact premises and circumstances were that led the police’s action during this episode, as well as who has political responsibility for the legal and police abuse of power.<sup>75</sup> But the episode had a tremendous impact on the politics of contention, feeding the fear and damaging opportunities for articulation between CGTP and other social actors for action in the public space.

## 6. Comments and conclusions

This article analyzed the 14 November 2012 general strike aiming, with reference to the Portuguese case, to explore its insertion into this period’s contentious politics in regard both to its transnational dimension and the relationship between actors – particularly between the unions and new political actors involved. The unions’ perception of their weaknesses and of the ability of new collective actors to organize massive mobilizations against austerity transformed the political opportunity structure and encouraged a shift in union strategy and action. Although resistance often walked separate paths, they sometimes converged, drawn together by two elements: the importance, for the new actors, of material claims and the recognition, although ambivalent, of these new actors by the unions. General strikes were times of convergence. In these moments of encounter, contention was expressed not only in the workplace but also in public spaces, resulting in common “symbolic frames”, crossing different collective action repertoires and generating “symbolic power”.<sup>76</sup> Nevertheless, these moments were not without reciprocal tensions and it is an open question whether this represents a sporadic collaboration or a possibility to generate structured and sustained alliances in the future.

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<sup>75</sup> An inquiry of the General Inspectorate of Internal Administration (IGAI), released only in 2015, acknowledged that there were “abuses” and illegalities, including the fact that several people had been hit with batons on the head: some were bleeding and others fainted with trauma. Many young people were taken to police stations, searched and locked in cells without being detained.

<sup>76</sup> WEBSTER, E.; LAMBERT, R.; BEUIDENHOUT, A. *Grounding Globalization: Labour in the Age of Insecurity*. Oxford: Blackwell, 2008.



Whereas it is hard to evaluate, in the short term, the impacts and results of this episode of collective action, to evaluate it in the medium and long terms is a particularly complex operation. The authors do not seek to definitely address these questions in this article, but formulate some theoretical and empirical questions for future study.

From a call that was clearly referenced to national political opportunity structures – affected by a “foreign troika” –, the strike went on to hold an international and, to a certain extent, transnational dimension. The result was a combination of various actions, including general strikes in the four Southern European countries of Portugal, Spain, Italy and Greece, although only Portugal and Spain witnessed an actual general strike on the day.<sup>77</sup> If it was not an European general strike, it surely fits with the definition of transnational European protest elaborated by Tarrow,<sup>78</sup> and was one of the more significant events, on a European scale, of the capital-labour conflict since the beginning of the economic and financial crisis.

Thus, in the short term and on the national level, it would not be unwise to state that its importance was historical, not only due to the number of participants, but also due to the social support it rallied. The strike also had an immediate outcome, which should not be belittled: it put an end to the government’s plan to lower the employers’ social security contribution – through a Single Social Tax –, which had been one of the sparks that led to the widening of the ‘5 September’ QSLT demonstration, a project abandoned after the general strike. Multiple references to identity were articulated again in the flows of conflict dynamics, amplifying the social and political bases of collective action, within and outside the nation-state. The “we” side assumed a nationally framed class identity – the People’s Square, a reference to Lisbon’s “Palace Square” (Terreiro do Paço) –, which was later confronted with the need for a social contract in Europe. It then took on the shape of an Iberian alliance in the field of organized labour, albeit embedded in the transnational cycle of protests – the ‘#Nov14.’ open letter by QSLT placed the conflict in a structure of multi-level opportunities, more complex than in CGTP’s approach, yet more salient<sup>79</sup> to the lives of the people to be mobilized than ETUC’s proposal.

Furthermore, it introduced a new element, connecting economic worries to democratic concerns within the logic of the politicization of the public,

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<sup>77</sup> [VOGIATZOGLOU, M. “Workers’ trans-national networks in austerity times: The case of Italy and Greece”. \*Transfer: European Review of Labour and Research\*. Vol. 21, n. 2, May 2015, pp. 215-228.](#)

<sup>78</sup> TARROW, S. *The New Transnational Activism*. Op. Cit.

<sup>79</sup> BENFORD, R. D.; SNOW, D. A. “Framing Processes and Social Movements: An Overview and Assessment”. Op. Cit.

supra-national and European spheres.

A medium and long term evaluation points to a more strategic analysis. The most intense period in this cycle of protests came to an end in mid-2013, with the joint general strike – rallying CGTP and UGT – of 27 June 2013. The strategy aiming to topple the government was unsuccessful and unions and social movements were corroded, which led to a process of social demobilization. Since then, with the blocking of political opportunity structures, there has not been a regrowth of collective action.

The PSD/CDS coalition government stayed in office and it led a speedy implementation of the Memorandum of Understanding, instating an austerity society.<sup>80</sup> In fact, a year after the MoU was negotiated, the situation had drastically worsened and the memorandum's effects were fairly noticeable. Besides its effects in job destruction and the rise in unemployment – unemployment rates had climbed to 16.9% in the fourth quarter of 2012, peaking at an historical 17.7% in the first quarter of 2013 –, the memorandum's plan imposed *beggar-thy-neighbour* policies resulting in a reconfiguration of the employment regime. It encompassed three breaks – on wage policy, on collective bargaining and on job and unemployment protection,<sup>81</sup> likening it to a liberal regime.

Enforcing the MoU led to a further deepening in the country's peripheralization process within the Economic and Monetary Union,<sup>82</sup> simultaneously adding to the national-European tensions, particularly because “the center demonised the periphery”.<sup>83</sup> Likewise, since then, a new European transnational protest, marked by labour issues, has not been attempted. Thus, nowadays, we are living in an apparent paradox: “The balance of power between capital and labour has been shifted towards capital and the Commission at the expense of labour and national legislators”.<sup>84</sup> However, “the new supranational EU regime”, consolidated

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<sup>80</sup> FERREIRA, A. C. “A Sociedade de Austeridade: Poder, Medo E Direito Do Trabalho de Exceção”. *Revista Crítica de Ciências Sociais*. n. 95, 2011, pp. 119-136.

<sup>81</sup> CAMPOS LIMA, M. da P., FERNANDES, L. “A Austeridade, a Flexinsegurança e as Mudanças do Regime de Emprego em Portugal”. *Conferência Internacional “40 anos após o 25 de Abril de 1974”*. Lisboa: ISCTE-IUL. 8-10 Maio 2014.

<sup>82</sup> GAMBAROTTO, F.; SOLARI, S. “The peripheralization of Southern European capitalism within the EMU”. *Op.Cit.*

<sup>83</sup> [LAPAVITSAS, Costas; KALTENBRUNNER, A.; LINDO, D.; MICHEL, J.; PAINCEIRA, J.; PIRES, E. & TELES, N. Eurozone Crisis: Breaking Up? A Route Out of the Eurozone Crisis. London: Research on Money and Finance”. \*Op. Cit. p.7.\*](#)

<sup>84</sup>BIELER, A.; ERNE, R. “Transnational solidarity? The European working class in the

since 2011, has also nationalized social conflict.<sup>85</sup> So struggles are nationalized, taking on the aspect of a national rebellion against European institutions (the most emblematic case being Greece), while the limits of merely national collective action become clear.

The current situation raises significant strategic debates, which should draw conclusions from the 14 November 2012 general strike. On the one hand, in a context where organized labour is being weakened, the emergence of new social mobilizations needs to go from a mere “meeting” logic to building social alliances between unions and (new) collective action movements, raising the levels of coordination.<sup>86</sup> On the other hand, there are substantial difficulties in forging, on a European scale, a “common discursive frame of reference” that will provide a strong interpretation for coordinated collective action.<sup>87</sup> Overcoming the North-South divide, replacing the common sense narrative that penalizes the periphery by adequately framing and constructing connections between the attacks made by the European institutions and national governments to the working classes of different countries is certainly necessary, but difficult. Despite the difficulties, it is certainly necessary to build multi-scalar articulations and mobilizations, with both trade unions and new dynamics of collective action.

The space for national action is unquestionable. Nonetheless, any political strategy aiming to enforce alternatives to austerity can hardly advance without the capacity to forge transnational solidarity – that recognizes, *a priori*, the periphery’s specific difficulties – and without significantly altering the power relation on a European scale.

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Eurozone crisis”. In PANITCH, L.; ALBO, G (eds.) *Transforming Classes. Socialist Register 2015*. New York: Monthly Review Press, 2014.

<sup>85</sup> ERNE, R. “A supranational regime that nationalizes social conflict: Explaining European trade unions’ difficulties in politicizing European economic governance”. *Labour History*. Vol. 56, n. 3, 2015, pp. 345-368.

<sup>86</sup> [VOGIATZOGLOU, M. “Workers’ trans-national networks in austerity times: The case of Italy and Greece”. \*Op. Cit.\*](#)

<sup>87</sup> HELLE , I. “A new proletariat in the making? Reflections on the 14 November 2012 strike and the movements of 1968 and 1995”. *Transfer: European Review of Labour and Research*. vol. 21, n. 2, May 2015, pp. 229-242.

# The uneven development of (mass) strikes in France and Spain

*Maria Gorosarri and Luciole Sauviat*

## **I**ntroduction

Each economic crisis can lead people to question capitalism and has, therefore, the potential to demonstrate that capitalism could end. One of the possible historical roles of mass strikes is to lead to this end. In the current finance-driven over-accumulation crisis, however, this is not what is happening. So far, the mass strikes and protest movements have only been demanding the withdrawal of austerity measures, and this has been ignored, on the whole, by governments and decisions-makers at the European level. Nevertheless, it is worth noting that class struggles cannot be measured solely by establishing whether demands were fulfilled. It is important to take into account their contribution to the development of class consciousness, which also occurs in situations of partial defeat. Rosa Luxemburg stated that mass strikes are “the method of motion of the proletarian mass, the phenomenal form of the proletarian struggle in the revolution”<sup>1</sup>. Consequently, defeats can turn out to be steps in the direction of a revolutionary struggle.

In order to assess the crisis protests in Spain and France, we will proceed as follows: firstly, we will explain general features of general strikes and mass strikes and will lay out the framework of our analysis. Secondly, we will present the union landscape in the two countries. Moreover, we will

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<sup>1</sup> LUXEMBURG, Rosa. *The Mass Strike, the Political Party and the Trade Union*. Detroit: Marxist Educational Society of Detroit, 1925, p. 18. [<https://www.marxists.org/archive/luxemburg/1906/mass-strike/>]

recapitulate the development of the most important class struggles in France and Spain between 2010 and 2014, as well as the attempt of an EU-wide strike in 2012. Thirdly, we will assess which of the characteristics of mass strikes are visible in the class struggles in France and Spain. Finally, we will compare the development of the working class struggles in both countries.

### **1. Mass and general strikes**

Luxemburg saw three attributes of mass strikes that are relevant for the crisis in the EU. Firstly, she stated that political and economic demands come together. Secondly, she underlined that defeats are also significant for the working class becoming aware of its interests. Finally, she highlighted the need to go beyond national borders, pointing out that workers should consider revolutions in other countries as “a part of their own social and political history”.<sup>2</sup>

Importantly, Luxemburg meant more than a general strike when she spoke of a mass “strike”. In her view, a mass strike occurs if labour unrest is accompanied by a wave of small and big economic and political strikes.<sup>3</sup> However, general strikes are undeniably part of the mass strike because they carry, most of the time, a revolutionary imaginary. Even if she did not see the mass strike as the “big evening” before the revolution – as the French syndicalists did, at the end of the nineteenth century, with the general strike – she conceived of it as a time when the working class organises itself to prepare for the revolution. This suggests that both the mass strike and the general strike have a role to play in processes resulting in a break with capitalism. Nevertheless, there are different types of general strikes and – although they all carry a revolutionary imaginary – they are not meant, in Western Europe in this period of crisis, to bring down bourgeois democracy. Rather, they aimed at demanding that certain decisions in fiscal politics be withdrawn.

In this text, we use the term general strike as it is used in the countries we are looking at. In France, for many foreign observers, a general strike broke out in 2010. But for the French working class, no such thing happened. The general understanding is that a general strike involves all economic sectors, and that a substantial share of workers participate. The same understanding of general strike applies in Spain, and we use the term as it is employed by the unions when they call for strike mobilisation.

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<sup>2</sup> Ibid., pp. 16-30.

<sup>3</sup> Ibid., pp. 18-23.

In order to define the mass strike we use Luxemburg's defining features of a mass strike as selected by Jörg Nowak and Alexander Gallas:

First of all, they disrupt political life, affect public discourse and provoke massive responses from governments or other state bodies. A second central aspect is the mobilizing character of mass strikes for the working class: Workers experience the power that goes along with collective action, gain experience in political struggles and see the need for organization.<sup>4</sup>

The second defining feature is what is best translated as class consciousness and can develop in the course of mass struggles.<sup>5</sup> It is one of the most difficult features to observe, and we aim to assess it through the development of struggles in Spain and France from 2010 onwards.

Furthermore, we add a feature also emphasised by Luxemburg, which we consider central: The fact that a mass strike cannot be declared from above by a union or a party. In other words, it cannot be switched on and off as desired and cannot be steered into a preferred direction.<sup>6</sup>

## 2. Case studies: France/Spain (2010-4)

Labour unions are, of course, important actors in strikes. In our two countries, they share similar features: French and Spanish unions are characterised by a low level of institutionalisation and, in particular, by a divide according to political and religious orientation.<sup>7</sup> The low level of institutionalisation is expressed, for example, in a lack of opportunities for collective bargaining and the non-existence of strike funds. Additionally, unions in both countries are supported financially by the state.<sup>8</sup> A difference, however, can also be noted: whereas union density is notoriously low in

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<sup>4</sup> NOWAK, Jörg; GALLAS, Alexander. "Mass Strikes Against Austerity in Western Europe – A Strategic Assessment". *Global Labour Journal*. vol. 5, n. 3, 2014, pp. 306-320.

<sup>5</sup> LUXEMBURG. *Mass Strike*. Op. Cit., pp. 27-30.

<sup>6</sup> Ibid., pp. 18-23; MOODY, Kim. "General strike, Mass Strike". 2012. [<http://www.solidarity-us.org/node/3679>]

<sup>7</sup> VANDAELE, Kurt. "Sustaining or abandoning 'Social Peace'. Strike Developments and Trends in Europe since the 1990s". 2011. [[http://works.bepress.com/cgi/viewcontent.cgi?article=1101&context=kurt\\_vandaele](http://works.bepress.com/cgi/viewcontent.cgi?article=1101&context=kurt_vandaele)]

<sup>8</sup> CEBOLLA, Hector; ORTIZ, Luis. "Political Mobilisation and Models of Trade Unionism: Southern Europe in Comparative Perspective". DemoSoc Working Paper. Barcelona : Universitat Pompeu Fabra, 2011, p. 10 ; ANDOLFATTO, Dominique; LABBÉ, Dominique. "Retraites: les faux-semblants d'un mouvement social". *Le Débat*. Paris: Gallimard, 2011, pp. 72-80.

France (7.7 per cent), it roughly reaches the OECD average in Spain (17.5 per cent).<sup>9</sup>

Historically, the biggest unions in both countries have been dominated by the Communist Party: in Spain, *Comisiones Obreras* (CCOO) and in France, the *Confédération Générale du Travail* (CGT). Their main competitors are unions linked to the Socialist Party: in France, *Force Ouvrière* (FO) and the *Confédération Française Démocratique du Travail* (CFDT), and in Spain, the *Unión General de Trabajadores* (UGT). In the 1990s, a left-wing union was founded in France that criticised both the CGT and the social democratic unions: *SUD Solidaires*. Specific to Spain's union landscape are several syndicalist unions and two syndicalist federations of notable size: the CNT (*Confederación Nacional del Trabajo*) and the CGT (*Confederación General del Trabajo*).

In France and Spain, strikes compensate for the low level of institutionalised collective bargaining. They are often used as “a weapon of protest and demonstration” and usually are based on mass mobilisations aimed at demonstrating the power of the unions.<sup>10</sup> Therefore, we can expect mass strikes to occur quite easily in the two countries. Finally, traditional unions, as in the rest of Western Europe, are on the defensive and have lost structural power in recent decades due to the relocation and shrinking of industries.<sup>11</sup>

A last point needed to comprehend the current situation is that Spain, in 2010, along with Portugal, Italy, Ireland and Greece was one of the most indebted countries of the EU and could have been bankrupted. In this respect, France is better off. Nevertheless, there have been discussions to add France to the list. Moreover, the EU Commission has been imposing austerity measures on several EU countries simultaneously.<sup>12</sup> Some countries are more affected by the crisis and more prone to the emergence of resistance movements, but Spain and France are also even in their uneven development: they have to implement so-called cuts and privatise state-owned companies in order to attract capital.

<sup>9</sup> OECD 2012.

<sup>10</sup> VANDAELE, Kurt. “Sustaining or abandoning ‘Social Peace’...”. Op. Cit., p.16.

<sup>11</sup> GUMBRELL-MCCORMICK, Rebecca; HYMAN, Richard. “Trade Unions in Western Europe: Hard Times”. *Hard Choices*, 2013. [<http://column.global-labour-university.org/2013/09/trade-unions-in-western-europe-hard.html>]

<sup>12</sup> GILMORE, Oisín. “Europe Forged in Crisis: The Emergence and Development of the EU”. 2014 [<https://viewpointmag.com/2014/10/26/europe-forged-in-crisis-the-emergence-and-development-of-the-eu/>]

## 2.1 The Protests in France

In 2009, the first “day of action” (a one-day national strike accompanied by demonstrations) related to the crisis took place in France.<sup>13</sup> Well-known forms of resistance, namely “bossnapping” and sabotage, also reappeared that year. These methods are mostly used against mass dismissals and are effective because there is no need to mobilise a large number of workers or to wait for the union’s approval. Moreover, “bossnapping” grabs the attention of the media and helps workers to pull their weight at the negotiation table (there are dismissals, but people obtain big compensations).<sup>14</sup> According to the Institut Supérieur du Travail,<sup>15</sup> the new forms of resistance have replaced mass action. At the same time, the opposite tendency, that is, to see the inability to cope with pressures caused by exploitation as an individual failure, is also strongly developed in France, as the recent increase in work-related suicides demonstrates.<sup>16</sup>

In June 2010, nationwide protests started after the decision of the government to increase both the retirement age and the minimum age for a full pension. This decision was part of the measures taken to reduce public debt and thus related to the management of the crisis. Almost immediately, all the major unions started protesting against the new pensions law. The protest gained in intensity in September after the summer holiday break and declined rapidly after the positive vote of the Parliament on 27 October 2010. However, the mobilisation of different sectors and generations, as well as the fact that economic blockades took place, gave the impression that France was entering an unprecedented period of mass strike. So what happened?

First of all, two new elements dominated the protest wave. One of them was the concerted action of the *intersyndicale*: a committee where the unions decided the course of action together. The *intersyndicale* gained legitimacy during the 2009 days of action.<sup>17</sup> The other element was that people

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<sup>13</sup> CROZAT, Dominique; GAUTHIER, Elisabeth; DUMAS, Maryse. “Crise et mouvement social en France”. Entretien avec Maryse Dumas, dirigeante nationale de la CGT, 2009 [http://www.transform-network.net/fr/yearbook/revue-042009/news/detail/Journal/the-crisis-and-the-social-movement-in-france.html]

<sup>14</sup> DE LA VEGA. “Travail, salaires, retraites : la Lutte continue” 2011. [http://www.scienceshumaines.com/travail-salaires-retraites-la-lutte-continue\_fr\_27210.html]

<sup>15</sup> INSTITUT SUPÉRIEUR DU TRAVAIL 2009

<sup>16</sup> ANDOLFATTO, Dominique; LABBÉ, Dominique. “Retraites: les faux-semblants d’un mouvement social”. Op. Cit., p.6.

<sup>17</sup> DURAND, Cédric. “Anatomie d’un grand mouvement social. Entretien avec Sophie



expected “strong sectors” like the refineries to strike for them. Workers in the refineries were aware of their role: “We block for those who can’t strike”.<sup>18</sup> The idea of a strike “by delegation” was coined during the 1995 strikes against the pensions and social security reforms and gained new momentum in 2010, with “external” blockades of sites with key economic importance. We can assume that in an era of unemployment and precariousness, strikes at the workplace are not the main strategy anymore; in contrast to those strikes, blockades allow members of the non-employed working class to get involved.<sup>19</sup>

The mobilisation was widespread and showed some characteristics of a mass strike. Before the strikes in the refineries and the ports around Marseille, demonstrations were the most important mode of action. They attracted an average of one million and – according to the CGT and the CFDT – peaked at up to three million participants.<sup>20</sup> Several strike types took place alongside the days of action in different sectors. For instance, on the eve of 11 October – one of the days of action – the media reported that 244 demonstrations had been registered. Furthermore, there were strikes in public transport, the ports, the postal service, telecommunications, job centres, power plants, refineries, education, car factories, etc. Nevertheless, even if some of these strikes were – in the French terminology – “extendable”, none of them were unlimited. While strike attendance was very high in the refineries, in other plants the strikers were in the minority.<sup>21</sup> In the course of the protests more people became active, and the demands were widened: they now addressed the duration of working life and working hours, hardship caused by wages and working conditions, inequalities in all its dimensions, precariousness and the lack of perspectives for young people.<sup>22</sup> Additionally, striking school canteen workers, street cleaners and truck drivers raised specific issues such as wages and working conditions.

In economic terms, the key element was the strike in the energy sector: in early September, there were stoppages at six French refineries (out of

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Bérout et Karel Yon conduit par Cédric Durand”. *À L’Encontre*. Lausanne, 2010 [<http://alencontre.org/europe/automne-2010-anatomie-dun-grand-mouvement-social.html>]

<sup>18</sup> Cited in CHESNAIS, François. “Analyse du mouvement de l’automne 2010: 2 Réflexions sur le mouvement des retraites” 2010. [<http://www.gauchemip.org/spip.php?article14494>] Durand 2010); DURAND, Cédric. “Anatomie d’un grand mouvement social”. Op. Cit.

<sup>19</sup> DURAND, Cédric. “Anatomie d’un grand mouvement social”. Op. Cit.

<sup>20</sup> CHESNAIS, François. “Analyse du mouvement de l’automne 2010: 2 Réflexions sur le mouvement des retraites”. Op. Cit.

<sup>21</sup> MOUVEMENT COMMUNISTE. “Movement Against Pensions Reform: To draw a Lucid Balance”. 2011. [<http://mouvement-communiste.com/documents/MC/Letters/LTMC1134EN.pdf>]

<sup>22</sup> CHESNAIS, François. “Analyse du mouvement de l’automne 2010: 2 Réflexions sur le mouvement des retraites”. Op. Cit.

twelve overall), as well as at the port of Fos and at some petrol depots. Many participants saw disrupting the entire economy as an aim of the protest and supported the strikes by blockading the entrances to the sites. Oil depots were soon requisitioned by the Government; police special forces “de-blockaded” them on 15 October.<sup>23</sup> Nevertheless, the sites stayed on strike and oil tankers were therefore “stuck” at sea. Meanwhile, all refineries in France were on strike, and the lack of petrol was beginning to become an issue. It was even the case that the struggle started to internationalise. At the Grandpuits refinery, workers got in touch with Belgian unionists, who in turn blockaded a Belgian petrol depot in order to stop petrol from being transported France.<sup>24</sup> However, the main French unions were not ready to leave the negotiation table and, at the last meeting of the *intersyndicale*, most unions declined to support the blockades.<sup>25</sup>

On 22 October, President Sarkozy requisitioned the Grandpuits refinery.<sup>26</sup> Once the state sent police Special Forces to end the blockade, other workers and neighbours tried to secure the site. In this situation, the CGT collaborated with the police and employers, helping workers prepared to break the blockade to access the site. At the same time, the union took symbolic action, which aimed at deploring the end of democracy.<sup>27</sup> In other refineries such as Le Havre, workers were mobilised after these attacks and were ready to defend themselves.<sup>28</sup> Nevertheless, in the end, the new pensions law was passed. Some demonstrations persisted, but eventually faded away.

As we have shown, there were rank-and-file initiatives such as the solidarity blockades. At some point, the protests could have been expanded into a mass strike. However, there are two major reasons why there was no lasting movement: firstly, the protest was coordinated by the unions, which tend to mediate between workers, the state and capital. Accordingly, strikes took place by delegation, which meant that only a small portion of the working class gained experiences of a collective struggle to build on. Secondly, the

<sup>23</sup> LE MONDE. “Toutes les raffineries de France en grève”. 15/10/2010. [[http://www.lemonde.fr/societe/article/2010/10/15/le-depot-petrolier-de-fos-sur-mer-a-ete-debloque-par-les-forces-de-l-ordre\\_1426438\\_3224.html](http://www.lemonde.fr/societe/article/2010/10/15/le-depot-petrolier-de-fos-sur-mer-a-ete-debloque-par-les-forces-de-l-ordre_1426438_3224.html)]

<sup>24</sup> See the testimony of a worker in the film, *Grandpuits petites Victoires*.

<sup>25</sup> CHESNAIS, François. “Analyse du mouvement de l’automne 2010: 2 Réflexions sur le mouvement des retraites”. Op. Cit.

<sup>26</sup> LE MONDE, 22/10/2010.

<sup>27</sup> KUMARAN, Ira; LEROUGETEL, Antoine. “France: Comment les syndicats ont aidé la police à briser la grève à la raffinerie de Grandpuits”. 2010. [<http://www.wsws.org/francais/News/2010/dec2010/gran-d11.shtml>]

<sup>28</sup> FRANCE24, 22/10/2010.

movement was weakened by the fact that there were going to be presidential elections in 2012, and that the victory of a socialist candidate was within reach. Indeed, the socialists would win the election in the end; in expectation of their victory, the unions did not want to exert too much pressure.<sup>29</sup>

Even if, after a probation period, the unions and parties to the left of the Socialist Party decided to show their opposition with anti-austerity protests, the movement remained weak and nearly invisible. What became visible, however, was the reactionary movement against gay marriage and gender-sensitive school education. Admittedly, nationwide protests erupted in 2014 in reaction to the murder of the environmental activist Rémi Fraisse by the police. But this was erased from the collective memory with the attacks on Charlie Hebdo and the Hyper Cacher supermarket. The huge demonstrations in response to the attacks reinforced the national spirit and may therefore have weakened expressions of class antagonism.

Despite these highly visible, predominantly citizen-oriented protests, we should not forget that workers have indeed been organising around specific issues, often as a reaction to public expenditure cuts, layoffs and plants closures. Just to mention a few conflicts: from 2009 onwards, workers at Continental organised wildcat strikes and a strike with their German colleagues against the relocation of their workplace. In 2014, the so-called precarious culture workers (technicians, artists etc.) organised themselves against cuts to their unemployment benefits system and went on strike. After years of occupying a relocated tea factory called Fralib, workers won a high severance pay and a fund of 20 million Euros from Unilever, which allowed them to start a workers' cooperative in the abandoned factory. Nevertheless, these disparate strikes did not generalise into a larger movement. Additionally, in a situation where conservative forces are able to act as a mass opposition movement, it is difficult for some sections of the working class to organise protests. Indeed, in this period of crisis and protests, France, similarly to Germany, is seen by an observer as “becalmed in the eye of the European storm”.<sup>30</sup>

The defeat of the working class after the protests against the pension reform did not lead to a reorganisation of struggles. Against this backdrop, we are unable to identify a process of consciousness development. On the contrary,

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<sup>29</sup> LAFONT, Christine. “Wir hatten den Eindruck, dass es unter Sarkozy überhaupt nichts bringt, an den alten Aktionsformen festzuhalten”. In: GALLAS, Alexander; NOWAK, Jörg; WILDE, Florian (eds.), *Politische Streiks im Europa der Krise*. Hamburg: VSA, 2012, pp. 145-149.

<sup>30</sup> GREEMAN, Richard. “Europe at a Dark Crossroads: Letter from France”. *New Politics*. Vol. XIV, n. 2, 2013.

many of the people involved in protests ended up relying on electoral politics. Furthermore, there are at least two movements that moved in a different direction: on one hand, the ultra-nationalist and sexist protests; on the other hand, the wildcat strikes, the bossnapping practices, the self-organisation of precarious marginalised workers (for example in the culture sector and by the ‘Sans Papiers’). All of the latter are defensive actions that do not express the intent to move beyond capitalism.

## 2.2. Spain: Mobilisations beyond the unions

In 2008, Spain was hit hard by the financial crisis. As the crisis first affected the building sector, many workers in that sector faced wage reductions and layoffs. Unemployment benefit payments constituted the biggest part of social expenditure; nevertheless, the socialist government denied the existence of the crisis until the end of 2008.<sup>31</sup> After cuts to public expenditure in education and welfare, the socialist government passed a first labour law reform in May 2010.

Under the new law, employers could lay off workers not just when they suffered losses, but even when they simply predicted them. Furthermore, the government found a way to allow employers to pay smaller dismissal compensations. Similarly, the labour law reform undermined collective bargaining. Around the same time, the government also adopted fiscal adjustment measures such as freezing pensions and reducing salaries of public employees.

As a response, the main trade unions called for a general strike, which was planned for September 2010. Although the labour law reform and the fiscal adjustment measures had already been approved, the unions believed that the general strike would be more successful after the summer because of the “lack of mobilization of civil servants in previous strikes” and the possibility of the strike taking place alongside demonstrations in other European countries.<sup>32</sup> Prime Minister Zapatero announced that the 24-hour general strike deferred to September would not influence his politics. The deferral, however, undermined the potential of union mobilisations.

<sup>31</sup> COLAU, Ada; ALEMANY, Adrià. *Vidas hipotecadas: De la burbuja inmobiliaria al derecho a la vivienda*. Barcelona: Cuadrilátero de libros, 2012.

<sup>32</sup> EL PAÍS. “Los sindicatos convocan la primera huelga general contra Zapatero para septiembre”. 14/06/2010. [[http://economia.elpais.com/economia/2010/06/14/actualidad/1276-500776\\_850215.html](http://economia.elpais.com/economia/2010/06/14/actualidad/1276-500776_850215.html)]

In total, the unions called three 24-hour general strikes between 2010 and 2014. Whereas the socialist government only faced one general strike (29 September 2010), two strikes against tax reform took place during the first year in office of conservative prime minister Mariano Rajoy (29 March 2012 and the EU-wide strike day on 14 November 2012). According to UGT and CCOO, the number of participants increased with each general strike. The last mobilised about 1 million workers.<sup>33</sup> However, UGT and CCOO did not keep up the fight against the labour law reforms and stopped calling for strikes and actions.

The economic crisis in Spain gave an impulse to peripheral nationalist movements. In the Basque Country, the unions called three additional general strikes (27 January 2011, 26 September 2012 and 30 May 2013). Moreover, the Basque unions also supported two of the Spanish general strikes, but refused to join in the Spanish call for the European Strike.<sup>34</sup> Furthermore, large demonstrations for independence took place in Catalonia: in 2013, 20 per cent of the population took part in a human chain.

The crisis did not just lead to 24-general strikes, but to new ways of protesting. On 15 May 2011, just before the local elections in Spain, a demonstration demanding “real democracy” took place. The demonstrators occupied a central square in Madrid for almost a month – despite attempts by the police to evict them – and called for the formation of local assemblies to spread the so-called 15M movement.<sup>35</sup> This was the starting point of a wave of revolts especially against cuts in education and healthcare. In the process, different movements converged, for example, the fight against evictions (*Plataforma por la Hipoteca* [PAH]). An important result of the 15M movement was the increase in political consciousness of people who had not been involved politically before.<sup>36</sup> Police repression against the 15M movement seemed disproportionate and encouraged people to reoccupy public spaces after they had been dispersed.<sup>37</sup>

<sup>33</sup> EL MUNDO. “Huelga general: los sindicatos dicen que el ‘éxito es un acicate para más movilizaciones”. 15/11/2012. [http://www.elmundo.es/elmundo/2012/11/14/espana/1352861849.html]

<sup>34</sup> GARA. “Milaka pertsona atera dira kalera Hego Euskal Herrian greba orokorraren deialdiari erantzunez”. 15/11/2012. [http://www.naiz.eus/eu/actualidad/noticia/20121114/milaka-pertsona-ateradira-kalera-hego-euskal-herrian-greba-orokorraren-deialdiari-erantzunez#]

<sup>35</sup> COLAU, Ada; ALEMANY, Adrià. *Vidas hipotecadas...* Op. Cit.

<sup>36</sup> DURGAN, Andy; SANS, Joel. “No one represents us”: the 15 May Movement in the Spanish State. *Sozial.Geschichte Online. Duisburg: Universität Duisburg Essen*, vol. 7, 2012, pp. 93-113.

<sup>37</sup> EL PAÍS. “La carga policial desata la indignación en Barcelona”. 27/05/2011. [http://politica.elpais.com/politica/2011/05/27/actualidad/130648-9864\_137130.html]

The roots of the 15M movement have been analysed in the light of “citizenism” – an approach to politics suggesting that democracy is able to oppose capitalism and to correct its excesses. In other words, it replaces class struggle with citizens’ political participation.<sup>38</sup> ‘Citizenist’ activism generates “bubbles of lucidity” by occupying the public space: “Each mobilizing opportunity establishes an intensely lived truth, where the nightmare of production relations, family units and structural servility of our daily lives has vanished for a few moments or even days.”<sup>39</sup>

Against this backdrop, continued mobilisation becomes essential in order to keep an open space to facilitate shifts in consciousness.<sup>40</sup> The plea for deeper democracy is not only the point of convergence where political and economic issues meet, but the also the starting point of further struggles. ‘Citizenists’ defend the democratic political system of bourgeois liberalism, but importantly, also defend that the working class needs democracy, “because only through the exercise of its democratic rights, in the struggle for democracy, can the proletariat become aware of its class interests and its historic task”.<sup>41</sup>

On 19 June 2011, *Democracia Real Ya* called for a demonstration against the Euro Plus Pact, which aimed at enhancing the “competitiveness” of southern European workers. More people joined this new demonstration than those who took part in the 15M movement.<sup>42</sup> After this event, the 15M movement was only visible in the struggles against cuts in healthcare and education.<sup>43</sup>

Other strikes also became relevant once others sectors were hit by cuts. Power generation from coal faced investment cuts of 65 per cent; in 2012, the closure of several mines was announced. Workers protested violently in May 2012 and later led a march from Asturias in the north of Spain to

<sup>38</sup> ALAIN, C. *L'impasse citoyenniste: Contribution à une critique du citoyennisme*. Nancy: Hobolo, 2001.

<sup>39</sup> DELGADO, Manuel. *El espacio público como ideología*. Madrid: La Catarata, 2011.

<sup>40</sup> RUPTURA. “Los anarquistas y el 15M”. [<https://gruporuptura.wordpress.com/2012/01/02/los-anarquistas-y-el-15m/Ruptura>].

<sup>41</sup> LUXEMBURG, Rosa. *Reform or Revolution*. 1900, p. 60. [<https://www.marxists.org/archive/luxemburg/1900/reform-revolution/>]

<sup>42</sup> GALLAS, Alexander; NOWAK, Jörg. “Agieren aus der Defensive: Ein Überblick zu politischen Streiks in Europa mit Fallstudien zu Frankreich und Großbritannien. In: GALLAS, Alexander; NOWAK, Jörg; WILDE, Florian (eds.). *Politische Streiks im Europa der Krise*. Hamburg: VSA, 2012, pp. 24-106.

<sup>43</sup> EL DIARIO. “La marea verde toma las calles de Madrid contra la LOMCE al grito de ‘Wert dimisión’”. 24/10/2013. [[http://www.eldiario.es/sociedad/marea\\_verde/lomce-marea\\_verde-huelga-educacion-24O-wert\\_0\\_189331976.html](http://www.eldiario.es/sociedad/marea_verde/lomce-marea_verde-huelga-educacion-24O-wert_0_189331976.html)]

Madrid. When the miners arrived at their destination, many joined them in a demonstration that eventually mobilised over 15,000 participants as they saw these protests as protests against austerity. The police once again attacked the demonstrators, but the action succeeded in defending the jobs in the mining sector and became an important point of reference for the Spanish workers' movement.

After M15 lost momentum, a new movement arose. The Marches for Dignity were organised by three social movements: the SAT (*Sindicato Andaluz de Trabajadores*),<sup>44</sup> *Frente Cívico – Somos Mayoría*<sup>45</sup> and the assemblies of unemployed.<sup>46</sup> A total of 150 collectives supported the call for the Marches such as local M15 assemblies, assemblies of factory workers, associations of migrant workers, anti-eviction activists, local political parties (*Equo, Izquierda Anticapitalista*), unions (CNT, CGT) and grassroots Christian movements. The Marches for Dignity showed a more developed class consciousness than 15M itself: participants considered themselves workers, not citizens, and voiced their opposition to exploitation. Unlike the people involved in M15, they did not commit themselves to peaceful protest only. This can be interpreted as a recognition of the fact that bourgeois democracy is limited and violent.

In March 2014, eight “columns” of workers marched all over the Spanish state to converge in Madrid in a demonstration, demanding “bread, work, and shelter for all”. During the marches, the columns showed solidarity with workers' struggles, such those taking place at Coca Cola<sup>47</sup> and Panrico.<sup>48</sup> In correspondence with the coverage of the 15M movement, the media ignored the marches until a demonstration was held that had two million participants according to the organisers.<sup>49</sup> The Marches for Dignity issued a call for another demonstration to be held on the 29 November 2014. Surprisingly, the traditional unions UGT and CCOO appealed to their members to demonstrate on the same day, but they did not openly support the Marches.

<sup>44</sup> SAT is an Andalusian union, founded in 2007. It is famous for organising land occupations.

<sup>45</sup> The “Civic Front” was created after Julio Anguita's (a former communist politician) call to set up a civilian front against the government.

<sup>46</sup> The assemblies of unemployed organise employed and unemployed workers in order to break their competition over jobs and alleviate the downward pressure on working conditions.

<sup>47</sup> The Coca Cola workers in Fuenlabrada had been fighting since 2013 for the reinstatement of 800 dismissed workers.

<sup>48</sup> EL DIARIO. “La dignidad camina hacia”. 18/03/2014. The workers at Panrico in Barcelona started a strike in 2013, after the enterprise voiced its intention to dismiss half of the workforce of 4,000 employees and cut the wages of the other half by 40 per cent.

<sup>49</sup> DIAGONAL. “Ecos de la carga que puso fin a la protesta del 22 de marzo”. 23/03/2014. [<https://www.diagonalperiodico.net/libertades/22320-indignante-actuacion-policial.html>]

The UGT and the CCOO are still not involved in the Marches, but numerous collectives called for a general labour, social and consumption strike to be held on 22 October 2015. The Marches are prepared to go beyond the previous demonstrations in so far as they are now calling for general strikes without the support of the main unions. In fact, they have led to more workers gathering than at the demonstrations during the general strikes organised by the UGT and the CCOO. Presently, these grassroots movements seem to be more successful in terms of mobilising the working class. Since they are not dependent on state funding, they are less likely to accommodate to government interventions or state institutions. In sum, a new social actor has emerged. This is not surprising if the general political situation is considered: the traditional unions stopped taking actions based on broad mobilisation after the attempted EU-wide strike (see below); the M15 movement has lost the urban squares, and the management of the crisis by the government and the EU continues to harm people's lives. Crucially, the Marches respond to this situation by integrating both the economic and the political side of the struggle.

### 2.3. The First Attempt of a European Strike

The crisis is international; therefore, an international or at least a European strategy of resistance is required. In the context of the struggles against austerity measures, two Portuguese unions (CGTP, STE) had called a 24-hour general strike for the 14 November 2012. In response, the Spanish unions UGT and CCOO proposed turn this stoppage into an “Iberian strike”.<sup>50</sup> This opened up an opportunity for a European general strike. In this situation, other unions from southern Europe declared their support for the strike, including the Spanish unions CNT and CGT, and the Italian union CGIL. The Greek unions GSEE and ADEDY supported the European strike too – despite the fact that they already had called for a 48-hour strike on 6 and 7 November. Finally, the European Trade Union Confederation (ETUC) published a formal statement calling for a day of action and for solidarity on 14 November. In the countries that were not hit so hard by the crisis, solidarity actions took place. The French unions, for example, called for mobilisations, but did not go on strike because they were waiting to see

<sup>50</sup> The term “Iberian” caused the Basque Unions to withhold their support for the strike because they saw it as having colonialist connotations. GARA. “LAB no secundará la huelga general convocada por UGT y CCOO en el Estado español”. 31/10/2012. [<http://www.naiz.eus/eu/actualidad/noticia/20121031/lab-no-secundara-la-huelga-general-convocada-por-ugt-y-ccoo-en-el-estado-espanol>]



what the government agenda of the recently elected socialist President François Hollande was going to be.<sup>51</sup>

The European strike seemed to be a step forward, as it was the first EU-wide strike coordination in history. However, it did not fully succeed in transcending the national borders, because it was called by national unions in every country. In fact, nationalist feelings overlapped class consciousness when, for instance, the unions in the Basque Country decided not to support an “Iberian” strike. Since then, there has not been a call for any other European general strike.

### **3. Elements of Mass strikes in Spain and France?**

We focused in this article on the defining elements of the mass strike according to Luxemburg in order to assess the strikes in France and Spain. The first one is the fact that a mass strike is a “movement of the people” that cannot be triggered at the flick of the switch by a union, a party, or any other organisation. Both in France and Spain, the numerous general strikes and days of action were all controlled by unions. Their duration was determined in advance (one day strikes), and they were thus small demonstrations of power. The same can be said of the EU-wide strike and even of the Marches in Spain, which were also coordinated by several organisations. In the French case, there were some protest forms that were not controlled by organisations, for example the blockades, the bossnappings and some of the economic strikes, but they were separate from each other, and did not converge into a mass strike movement. In the Spanish case, the M15 movement was not led by an organisation. Post-M15, the decision-making structures of political parties and trade unions were much criticised. This and the formation of the Marches could be a hint that workers want radical democratic organisations and are willing to continue the struggle even without the unions.

It is quite clear that the second element of the mass strikes – “they disrupt political life, affect public discourse and provoke massive responses from governments or other state bodies” – applies to the pension protests in France. For nearly two months, the media reported nonstop, and the state and the government had to react to the protests and did so by requisitioning workers and sending armed police forces to the strike sites. In this situation, workers defended themselves and learned to struggle.

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<sup>51</sup> EL MUNDO. “La huelga en otros países europeos”. 14/11/2012. [<http://www.elmundo.es/elmundo/2012/11/14/economia/1352885878.html>]

The 15M movement in Spain erupted just before local elections took place, showing that people did not expect much from formal democracy. Through the eyes of the mainstream media, political life seemed to be disrupted. They focused on the 15M movement, partly because of the presence of previously “non-political” people, partly because of the colourful images it provided. The Marches for Dignity, however, were omitted in the news until the last big demonstration in Madrid in March 2014. Against this backdrop, it can be said that 15M was able to influence the public discourse. Two important consequences of 15M were the development of a political consciousness of previously non-engaged individuals and the emergence of opportunities for new cooperation networks. As a result, the “remnants” of 15M became active in the Marches for Dignity. Nevertheless – and in inverse proportion to the media attention – the “Marches” triggered the most violent response from the authorities.

The third element, the mobilisation of the working class and the development of its consciousness through struggles as well as the formation of workers’ organisations, throws up questions to which we cannot provide definite answers in the French case. There were large demonstrations with a wide geographical dispersion, but only a small section of the working class actively blockaded economic processes and thus gained experiences of the struggle – a kind of vanguard. It is very likely that this minority and some of the other people involved discussed the question of organisation because they had to develop forms of resistances (blockades) that were suitable for a strike by delegation in the context of an international economic crisis. Nevertheless, as we have seen, there is no proof of a continuation or a rebirth of an organisational consciousness in the French case. The Spanish case shows that it is through concrete struggles and the assessment of defeats that the working class develops consciousness and creates new forms of organisations.

In both cases, in the course of the struggles, workers saw the need to organise across national borders: international solidarity was a practical reality for French and Belgian workers – and Spanish workers participated strongly in the EU strike. Despite all the limitations of these attempts, the struggles had a momentum where the working class could see that struggles in other countries are part of their own history.

## **Conclusion**

First of all, what we can see from the comparison of the two case studies is that they tell us different stories. Whereas in Spain two protest movements existed in parallel – the union-led general strikes and the social movements (in which some of the syndicalist unions participated), in France there is no significant anti-austerity social movement even if radical labour conflicts are occurring without union control. In Spain, it is when the unions do not organise general strikes any more that the movements “innovate” with the workers’ marches. Notably, the Marches call for “work, social and consumption” strikes. This form of action is adapted to a situation of high unemployment and shows that they try to overcome the separation of the spheres of production and consumption. This separation was not overcome by M15, which concentrated on the political side of the crisis. A mass strike has only come fully into existence when the working class is capable of overcoming these separations in their struggles.<sup>52</sup>

It is true in both countries that unions with limited bargaining power are more vocal on the street, but are nevertheless interested in being social partners of the governments. It is in this respect that an important similarity between both countries comes to the fore: unions were more cautious to go on the street when socialist parties were in power.

In France, the far-right conservative forces took advantage of a situation in which the non-parliamentarian left as well as a left government could not solve the economic situation. In Spain, even if nationalism is reinforced by the crisis, there is more social movement-driven political innovation. It is a less hierarchical organisation, the Marches for Dignity, that gained considerable support within the working class. How struggles will develop in the next years remains unknown, but we have to stay cautious, since reactionary forces are on the rise.

All in all, we are in a situation where a peripheral southern European country (Spain) comes close to a mass strike situation and a centre-southern European country (France) is far away from anything close to a mass strike. Nevertheless, whereas centralism and nationalism in Spain could prevent the development of a full mass strike situation in the future, a more international strategy would strengthen class consciousness.

Everywhere, we should discuss the strategic challenges connected to emerging mass strike movements: how to include the jobless and workers from all sectors in a strike? Are mass strikes about broadening democracy as the M15 movement believed? Do they serve to protect at least parts of the welfare state? The last two questions indicate that the gains to be made in

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<sup>52</sup> LUXEMBURG, ROSA. *The Mass Strike...* Op. Cit., p. 33ff.

many cases may not be as big as the mobilisation efforts put into a mass strike movement. If mass strikes were about building a new Europe or breaking with the roots of the crisis, then they would fulfil their historical role. But in order to get there, we have to develop innovative forms and contents of struggles. Up to now, a new kind of movement likely to bring about a full mass strike has not yet been born.

## **Authoritarian defence of the German model?**

Conflicts over the freedom of collective bargaining and militant strikes in the German railway sector

*Stefanie Hürtgen*

### **I**ntroduction

In 2014 and 2015 Germany faced a wave of strikes in the service sector. While for some scholars these strikes represent evidence of an on-going deep crisis, i.e. the end of a supposedly regulated, economically successful and socially inclusive German model of capitalism,<sup>1</sup> others promote the idea of the supposed “ongoing existence” of that model, despite some “transformed dimensions”.<sup>2</sup> This debate is having an immediate political impact given that the German case, especially during and after what is called the European fiscal crisis, seems to represent a model that combines both economic strength and social welfare.

In this paper, I take the railway sector as an example of industrial conflict to illustrate firstly the *social crisis* of the German model of capitalism, and, secondly, the fact that this crisis is being *neglected* by important actors of what Gramsci calls the ruling bloc: employers, government (where the role of the Social Democrats is especially important), large parts of the traditional and large trade unions, such as IG Metall, and finally most

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<sup>1</sup> STREECK, Wolfgang. “The Strikes sweeping Germany are here to stay. As pay gaps widen and conditions deteriorate German public sector and service workers are turning to once-unthinkable industrial action”. *The Guardian*. 22 May 2015. [<http://www.theguardian.com/commentisfree/2015/may/22/strikes-sweeping-germany-here-to-stay>].

<sup>2</sup> MÖLLER, Joachim. “Did the German Model Survive the Labor Market Reforms?” *Journal for Labour Market Research*. Vol. 48, n.2, 2015, pp. 151-168.

academics and journalists. As this article will show, the neglect of the growing social crisis is the basis of what Ian Bruff calls the “mask of ‘success’” of the German model, and its propaganda for competitive solidarity as its motor.<sup>3</sup> At present the denial of growing social tensions in German society culminates in a labour law reform that targets explicitly more militant and demanding trade union activities, asserting that they are organized by “small” and clientelistic, and thus particularistic, organisations. The industrial conflict in the railway sector mirrored many of these important developments and concluded with an important success, one that created opportunities for bypassing this new labour law for at least the coming years in that sector. Nevertheless, one should not be too optimistic concerning the general impact of that victory.

### **Railway strikes and big and small trade unions in German capitalism**

In 2014 and 2015, the German Train Drivers’ Union (*Gewerkschaft Deutscher Lokführer* or GdL) organized an industrial conflict that lasted almost one year. In that time, it went on strike nine times, each time successfully blocking the traffic of passengers and goods for several days. Even when in absolute and relative terms these strikes did not change significantly the relatively low average of 16 strike days per 1000 employees in Germany (France, for example, is 139<sup>4</sup>), their economic and political impact was considerable and the trade union ultimately achieved a remarkable success. This success is even more significant given that the Train Drivers’ Union is a so-called “small” union, i.e. not part of the traditional confederation DGB (confederation of German Trade Unions). It, in fact, organized not only against the employers, the Deutsche Bahn AG (German Railway, a state owned stock corporation under private law) and the media and government – but also against the traditional DGB-trade unions, first of all the direct competitor in the railway sector, the EVG (Railroader and Traffic Trade Union). The GdL has roughly 35,000 members; in contrast, the “big”, DGB-affiliated trade union EVG has 200,000 members. The historic success of the GdL strike actions has two dimensions: the agreement includes the recognition to represent on-board staff, in addition to engine drivers, and secondly, the union is now able to

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<sup>3</sup> BRUFF, Ian. “Germany and the Crisis: steady as she goes?” In: WESTRA, Richard; BADEEN, Dennis & ALBRITTON, Robert (eds.) *The Future of Capitalism After the Financial Crisis: The Varieties of Capitalism Debate in the Age of Austerity*. New York: Routledge, 2015, pp. 114-31.

<sup>4</sup> WSI. Wirtschafts- und Sozialwissenschaftliches Institut der Hans Böckler Stiftung. Tarifarchiv, 2014 [www. [http://www.boeckler.de/45221\\_46220.htm](http://www.boeckler.de/45221_46220.htm)]

*bypass* the new, restrictive law against small, and above all militant trade unions, pushed through by the Social Democrats in the grand coalition with the Christian Democrats.

Corporatism and social partnership at the company and national level is considered the heart of the so-called German model of capitalism. “Big” trade unions representing more than two million members (such as IG Metall or ver.di, the trade union for services) appear to demonstrate the extraordinary strength in involving workers’ interests in economic and political development. Trade unions in Germany in principle are not politically divided as is typical, for instance, in France. In fact, after the end of the Second World War, the conception of a unified and sectoral labour union prevailed as a structural feature of the German model of industrial relations. Labour unions are often characterized by political “neutrality” (even if *de facto* they have always been very close to the Social Democrats).

Yet for some time now small trade unions have become an essential part of the landscape of industrial relations in Germany and it is important to note that these smaller unions play different (key) political roles: some small trade unions regularly function as an instrument for employers to downsize demands as is the case with the “Christian trade union confederation”; some act as purely professional pressure groups for highly qualified workforces such as physicians or pilots (these professional associations are at the heart of the public rhetoric about “clientelism”, see below); yet others stand for a less-compromising and more militant bargaining policy, as is the case with the anarcho-syndicalist trade union FAU, a small trade union that is organized in some institutions in big cities such as Berlin or Frankfurt and typically pushes and radicalizes industrial conflicts. In 2010, the German Supreme Court strengthened the position of the small unions by accentuating the freedom of the right of collective bargaining in the constitution. But already before that date some of the smaller trade unions could enforce their position or even change their status from a pure lobby organisation to a bargaining trade union (this was the case especially for professional-oriented associations<sup>5</sup>) or they could defend their position, as was the case for the anarcho-syndicalist FAU in Berlin.<sup>6</sup>

The socio-political differences within small trade unions are important to note because, as we will see, the labour law reform, which is called “law for the unity of collective bargaining”, officially argues that it intends to push

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<sup>5</sup> GREEF, Samuel; SCHROEDER, Wolfgang. *New labour competition: How processes of deregulation and privatisation affect industrial relations in Germany*. Paper for the 16<sup>th</sup> ILERA World Congress, Philadelphia, Pennsylvania, USA, 2-4 July 2012.

<sup>6</sup> BOEWE, Jörn. “Koalitionsrecht verteidigt”. *Junge Welt*. 11. June 2010, p. 5.

back the influence of “small” trade unions, but in fact targets more militant ones.

### **The demands of GdL and the negotiations with the employer**

The GdL can be described as a hybrid in this political landscape of small trade unions. Thus, it questions the overall stated need of rising competitiveness and the related rising social costs *de facto*, but not programmatically. In fact, the GdL’s tradition is not a very progressive one; indeed it is far from that. It has a rather conservative institutional history (for instance, there was a merger with Christian and functionaries’ unions in 1963<sup>7</sup>), but what is more important is the union’s position on crucial social and political questions: the idea, for example, that different levels of qualification must correspond to different pay-levels is deeply grounded in the union, which regularly attacked its opponent from the DGB for politics of “egalitarianism”. The GdL pursues this approach up to the present day.<sup>8</sup> To strengthen a lower income in relation to a higher one is thus not part of the GdL trade union tradition. Fighting “egalitarianism” was also an argument against the financial contributions to the public old age pension schemes. Instead, the GdL proposed the enlargement of private capital-based pension schemes – completely in line with the dominant policies that aim to privatise social security.<sup>9</sup>

But nevertheless, the trade union became an important player by organizing long-lasting and militant strike activities. Already in 2007-2008 it initiated a long (almost one year, similar to 2014-2015) and ultimately successful labour dispute with unusually high wage demands (30 per cent), and the important claim to organize not only train-drivers, but also on-board staff.<sup>10</sup> In both cases, the “other side” of the conflict consisted of the employer, but also the dominant DGB-affiliated union in the railway sector. The latter is afraid of intensified competition over union membership, but represented, for its part, support for the further privatisation of the railway system and

<sup>7</sup> GREEF, Samuel; SCHROEDER, Wolfgang. “New labour competition: How processes of deregulation and privatisation affect industrial relations in Germany”. Op. Cit., p.14f.

<sup>8</sup> KALASS, Viktoria. *Neue Gewerkschaftskonkurrenz im Bahnwesen. Konflikt um die Gewerkschaft Deutscher Lokomotivführer*. Wiesbaden: Springer, 2012; BACHMANN, Andreas. “Wer anderen eine Grube... Oder: Wer fällt der Tarifeinheit zum Opfer”. *express, Zeitschrift für sozialistische Betriebs- und Gewerkschaftsarbeit*. Frankfurt am Main, n. 1/2015.

<sup>9</sup> GdL 2008: Intelligente Lösungen statt Gleichmacherei. Public Statement, 23/08/2008. Cited in [<http://www.gdl.de/Aktuell-2008/AushangReport-1219484632>]

<sup>10</sup> GREEF, Samuel; SCHROEDER, Wolfgang. New labour competition: How processes of deregulation and privatisation affect industrial relations in Germany. Op. Cit.



emphasised the need to strengthen competitiveness and to save costs (see below). In the conflict in the years 2007 and 2008, the GdL transformed itself from a professional-based to a sector-based union, and the most recent dispute is a direct follow-up in that logic, which aims at strengthening bargaining power via a combination of personnel with ‘strong’ structural positions (i.e. train drivers) with personnel with a weaker position vis-à-vis the disruption of train service (i.e. employees of the on-board bistros etc.).<sup>11</sup> In fact, during the strikes, the GdL was faced with a whole campaign against its “egoistic clientelism” (see below), with many politicians trying to end the strikes by seeking a “real good result” for train drivers, without taking into consideration the other parts of the workforce organized in the union. But the GdL was remarkably consistent and continued to insist on including the other members of the workforce into the agreement with an explicit reference to norms of solidarity.

### **Railway Privatisation: the intensification, flexibilization and precarisation of work**

The “pure” social demands of the strike action included wage increases (5 per cent), reduction of working time (two hours per week) and less working time flexibility (only 50 instead of an unlimited number of hours of overtime per year), and free weekends (defined as no less than Friday 10 pm to Monday 6 am). In this regard, the success was obviously rather modest: the agreement included a 3.5 per cent wage increase, a reduction of working time of one hour per week from 2016 and some “efforts” to reduce overtime and the very flexible working time schedules. But what is important to note is that again, as in 2007, the GdL de facto broke a period of heavy silence surrounding the high social costs as a result of the ongoing restructuring of the former public railway sector. It was these very social costs that were discussed as one of the central reasons for a strike wave in the former public service sector during the last years.<sup>12</sup>

In fact, the politics of “quasi privatisation” and cost-cutting in the railway sector are typical for what is occurring in other former public service sectors, such as the telecommunications sector. In 1994 the Deutsche Bahn

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<sup>11</sup> In 2007/2008, the GdL received the right to *organize* different workforce categories; in 20014/2015, the claim was the right to *negotiate* for all member categories (and not only for train drivers).

<sup>12</sup> KAHMANN, Marcus. “Les syndicats catégoriels, nouveaux acteurs de la négociation collective”. *Chronique Internationale de l’IRES*. n.149, mars 2015, pp. 14-26; STREECK, Wolfgang. “The Strikes sweeping Germany are here to stay. As pay gaps widen and conditions deteriorate, German public sector and service workers are turning to once-unthinkable industrial action”. Op. Cit.

(German Railway) started its organizational, economic and social transformation from a massive state-owned enterprise into a profit-oriented, internationally focused corporation. It thinned out its rail network to make it more profitable and invested in markets that seemed to prosper, such as long distance routes and international logistics. While doing so, it installed wide-ranging internal organizational flexibility, covering nine companies (responsible for the regions, long distance, services etc.), organised in about 300 enterprises – all with different and flexible modes of collective bargaining, including different rules for new workers.<sup>13</sup> Accompanying extensive job losses (with an estimated 250,000 jobs cut, which constituted half of Deutsche Bahn's workforce between 1994 and 2007).<sup>14</sup> The company also established a flexible wage and working-hour scheme and a system of market-based “self-responsibility” of groups of units of the workforce (such as cost-centres) for margins and performance's results.<sup>15</sup> Thus, strong intensification and flexibilization of work is reported, due to a strong “marketization” of performance-control, but also employment with “competitive” results (the wages of the on-board bistro staff in the trains for example are dependent on their sales). For those with regular contracts, the income is located at the lower end compared to most other sectors (from 1600 to 3,500 Euros before taxes for the elderly), with some wages for precarious workers amounting to about half of the median wage; before the minimum wage's introduction even a pay of 4 Euros per hour had been documented.<sup>16</sup> In fact, besides gastronomy and cleaning, the transport sector is situated among those sectors with the lowest income level and the highest portion of precarious employment.<sup>17</sup> Subcontracting is common, not only via the firm-owned temporary employment company,<sup>18</sup> but also via many “nameless” companies that often exist only for a short time period and are enmeshed in complex networks of sub-subcontracting.<sup>19</sup> Temporary work is common even among train-drivers, as well as false self-employment.<sup>20</sup> Both

<sup>13</sup> KALASS, Viktoria. *Neue Gewerkschaftskonkurrenz im Bahnwesen...* Op. Cit., p.85ff.

<sup>14</sup> Ibid., GREEF, Samuel; SCHROEDER, Wolfgang. “New labour competition: How processes of deregulation and privatisation affect industrial relations in Germany”. Op. Cit.

<sup>15</sup> ENTGERTNER, T. *Die Privatisierung der Deutschen Bahn*. Wiesbaden: VS Verlag, 2008, p. 135ff.; Rehder, Britta. “Adversarial legalism in the German System of industrial relations?” *Regulation & Governance*. Vol. 3, 2009, p. 227.

<sup>16</sup> Mobifair. “Prekäre Verhältnisse im Verkehrssektor. Abschlussbericht”. [http://www.mobifair.eu/Projekte/Abgeschlossene\\_Projekte/Dokumente/](http://www.mobifair.eu/Projekte/Abgeschlossene_Projekte/Dokumente/), 2011; Mobifair. “Externe Dienstleister. Abschlussbericht”.

[http://www.mobifair.eu/Projekte/Abgeschlossene\\_Projekte/Dokumente/](http://www.mobifair.eu/Projekte/Abgeschlossene_Projekte/Dokumente/), 2012.

<sup>17</sup> Ibid.

<sup>18</sup> See [www.dbzeitarbeit.de](http://www.dbzeitarbeit.de)

<sup>19</sup> Mobifair. “Externe Dienstleister. Abschlussbericht“ 2012. Op. Cit.

<sup>20</sup> Ibid.

the low wages and the extensive bypassing of working-time rules became public with the strikes.

As this paper has already noted, the “big”, DGB-affiliated railway-sector union *supported* the process of privatisation, “modernization” and marketization, including its ultimate aim to enter the stock market (for the moment this plan has been put on hold). It tried to constructively support and to co-design the company’s restructuring in the name of enforcing competitiveness in the global and European market (backing its so called “socially acceptable manner”). But due to new EU directives, among other factors, and the harsh competition on the national and European market, the co-design turned out to be a more or less direct acceptance of social concessions.<sup>21</sup> In fact, the railway sector provides a good example for the limits established by a trade union’s policy as co-managers, which sees itself as a partner for social competitiveness and takes direct responsibility for competitive performance and flexibility in the context of harsh economic rivalry among, but also within more and more fragmented companies.<sup>22</sup>

The “small” GdL presented itself for the first time in 2007 as a de facto opposition to this development with the demand for a wage increase of up to 30 per cent – justified with the extraordinary rise of profits and management salaries (the latter at more than 60 per cent). Finally, and in complete contradiction to the overall stated danger to weaken competitiveness, an agreement was reached, leading to a remarkable increase in remuneration of 11 per cent, a compromise that later included all 135,000 regular employees.<sup>23</sup> When I say “de facto” opposition, it has to be clarified that the GdL does not represent an alternative approach to public infrastructure. Competition as such is not negative, the union regularly states, but it in turn shall not have negative consequences for workers.

### **Public campaigns against egoism and clientelism and labour law reform**

Already in 2007-2008 the conflict between the GdL, Deutsche Bahn and DGB trade union EVG was fought out to a great extent in and via the media,

<sup>21</sup> When in 2008 the former president of the DGB-affiliated railway union, Hansen, changed to the HR board of the Deutsche Bahn, this came as a shock for many trade union members, but to a certain extent it illustrates the closeness in of positions of the union and the employer.

<sup>22</sup> HÜRTGEN, Stefanie. *Transnationales Co-Management. Betriebliche Politik in der globalen Konkurrenz*. Münster: Westfälisches Dampfboot, 2008.

<sup>23</sup> HOFFMANN, Jürgen and SCHIMIDT, Rudi. “The train drivers' strike in Germany 2007–2008: warnings for the future of the German trade union movement?”. *Industrial Relations Journal*. Vol. 40, n. 6, November 2009, pp. 524-533.

but this time the public experienced a nationwide, extremely personalized campaign that set out to weaken the union and undermine its president, Claus Weselsky. Even “serious” interviews or newspapers presented the latter as irrational and crazy, indulging dangerously in his passion for power, and marked him as a “Rambo” or as an egomaniac – or poked fun at him, focusing on his looks or his East German accent. All coverage seemed to focus on one thing: “his power over passengers”, and the yellow press began populist calls to actively and physically confront him with “people’s opinion”. To avoid misunderstandings, I should note that in Germany it is common to publicly attack trade unions, especially when they go on strike. But this time the hysterical campaign became one of the important historic elements of the whole railway strike, and it obviously had two goals (or at least effects): the first was to silence concerns over working conditions and strong social needs in the railway sector; in fact, the whole conflict was presented as a power game and not as a social conflict. The second goal was to clearly strengthen the discourse of the dangerous wielding of power of a particularistic group of employees (“this mini-trade union”), taking us all as hostages (“slapping the face of millions of people”) and thus the need to juridically limit their overwhelming power. (And indeed, all the media and talkshows had to admit that the trade union was acting entirely on a legal basis and was not violating any of the laws regulating strike activities.)

Actually, it was the Social Democrats and spokespersons of the “big” trade unions that demarcated the line of attacks: Sigmar Gabriel, leader of the Social Democrats and Minister of Economics, set the tone when he chose one of the biggest yellow press newspapers to speak about the “abuse” of bargaining freedom by the train drivers’ union, the need to prevent damages to “our economy”, and stop “muscle-man behaviour on the back of Germany and all employees”. He explicitly differentiated between the “65-year-old DGB trade union’s principle” to act “responsibly” concerning strike activities and the GdL, which he claimed was abandoning that consensus. All these statements ended with the call for a juridical reform, in order to guarantee “bargaining unity” and to prevent dangerous clientelistic movements. In short, the extremely aggressive and personalized campaign of employers, Social Democrats (and less offensive, Christian Democrats) and most of the DGB trade unions resulted in a change to labour law, and due to the breadth of this alliance, alternative positions were barely present (only some very grass-roots activists tried to organise a different public debate).

The labour law reform operates under the title of ‘unity of collective bargaining’. In fact, the project is an older one. Already in 2010 the employer’s association together with the DGB trade unions initiated a joint initiative (which failed at the time) to limit the power of small trade unions and target the “erosion of solidarity and economic insecurity”.<sup>24</sup> With the creation of the new grand coalition between Christian and Social Democrats new efforts have been made by the Social Democratic labour minister to push through the reform of the labour law, partly parallel to the railway conflicts, and it was passed by parliament in the summer of 2015. The new law allows only “the biggest” union in a firm, counted by the highest number of members, to engage in strike activities and collective bargaining. Doubts about this idea were articulated even at the grass-roots level of the supporting trade unions,<sup>25</sup> raising questions such as what does it mean to count and name each trade union member officially and under direct observation of the employer, or how to define a “firm” today (given the common situation of highly fragmented workplaces due to the outsourcing and subcontracting described above). At the moment, different lawyers and some of the “small” trade unions (including the GdL) have appealed to the constitutional court to reject the new labour law, and there are indeed widespread doubts that this law is consistent with the constitution. Nevertheless, it cannot be expected that the project to weaken “small” (read militant) trade union activism will be abandoned (see below), and employers, but also some trade unionists, are already speaking out in favour of additional sanctions.

### **The erosion of the unity of collective bargaining and social deregulation**

Indeed, there is widespread competition among the trade unions – competition that surpasses the confrontation between “big” DGB trade unions and “small” ones outside the DGB. The competition between the unions rose dramatically for three main reasons: the first is the permanent restructuring of enterprises such as outsourcing, subcontracting, relocation

<sup>24</sup> See the parliamentary debate in Deutscher Bundestag: *Plenarprotokoll 17/164, Stenografischer Bericht der 164. Sitzung; am 07. März 2012 in Berlin.* [<http://dip21.bundestag.de/dip21/btp/17/17164.pdf>] Deutscher Bundestag 2012: 19479ff.; BDA – Bundesvereinigung Deutscher Arbeitgeberverbände / DGB – Deutscher Gewerkschaftsbund, 2010. *Funktionsfähigkeit der Tarifautonomie sichern – Tarifeinheit gesetzlich regeln.* [<http://www.dgb.de/themen/++co++0c2cb158-720b-11df-59ed-00188b4dc422>] BDA/DGB 2010).

<sup>25</sup> See the “open letter” of IG Metall members. “Open letter: Kein Pakt mit den “Arbeitgebern” und Regierung gegen das Streikrecht. [<http://www.labournet.de/politik/gw/kampf/streik/kein-pakt-mit-arbeitgebern-und-regierung-gegen-das-streikrecht-offener-brief-an-die-vorsitzenden-der-ig-metall/>]

etc., which includes a permanent re-definition of workforces, structures of economic sectors, mandates and so on. Temporary work agencies, for example, became the focus of both *ver.di*, the service trade union, and IG Metall. The second reason is the ongoing contradictory transformation of the trade unions from classic social democratic bodies into partners for social competitiveness (co-managers), which will entail an immediate responsibility for competitive performance and flexibility in the context of harsh economic rivalry among but also within fragmented companies. To be a strong partner for social competitiveness, unions need both the support of the rank-and-file as well as the recognition of management.<sup>26</sup> Thirdly, there is a growing anti-union attitude taking hold among many employers and thus an increasing risk of unions to be expelled from the shop-floor.<sup>27</sup>

It is important to note that the rising competition among unions is taking place in an environment of increasing deregulation, expanding low-wage sectors and an absence of workers' representation. Already ten years ago research showed a dramatic decentralization and widespread erosion of the collective bargaining system despite its *formal* continuation.<sup>28</sup> Under the roof of one wage agreement manifold deviations are common. The management, of course, did use and accelerate the rising social and organisational fragmentation, not only via the described strategies of outsourcing and precarisation, but in addition it often successfully organized strong dumping competition via employer-loyal associations (for example, the Christian Trade Union Confederation, also a "small" trade union).<sup>29</sup>

In consequence, there was a recalibration and stratification of institutional relationships within Germany, preserving traditional arrangements in some respects but also predicating their continued viability on practices which embodied more unequal relations of power. Key examples here include the growing roles for temporary work agencies in recruitment strategies and for

<sup>26</sup> REHDER, Britta. "Legitimitätsdefizite des Co-Managements". *Zeitschrift für Soziologie*. Vol. 35, June 2006, 2006, pp. 227-242; HÜRTGEN, Stefanie. *Transnationales Co Management. Betriebliche Politik in der globalen Konkurrenz*. Op. Cit.

<sup>27</sup> WIGAND, Elmar. "Blinder Fleck Betriebsratsbashing. Über kriminelle Unternehmer und ihre Dienstleister". *express. Zeitung für sozialistische Betriebs- und Gewerkschaftsarbeit*. N. 6-7/2015, p. 7, 2015.

<sup>28</sup> BISPINCK, Reinhard. "Kontrollierte Dezentralisierung der Tarifpolitik – eine schwierige Balance". *WSI-Mitteilungen. Monatszeitschrift des Wirtschafts- und Sozialwissenschaftlichen Instituts der Hans Böckler Stiftung*, vol. 57, n. 5, 2004, pp. 237-245; BISPINCK, Reinhard. "Abschied vom Flächentarifvertrag? Der Umbruch in der deutschen Tariflandschaft". *WSI-Tarifhandbuch*, Frankfurt a.M., 2006, pp. 41-66.

<sup>29</sup> DRIBBUSCH, Heiner: "Tarifpolitische Konkurrenz als gewerkschaftspolitische Herausforderung. Ein Beitrag zur Debatte um die Tarifeinheit". *WSI-Workingpaper No 172*, Düsseldorf 2010.

“opening clauses” in collective bargaining agreements (which allowed companies to deviate below the minimum set by the sector-wide wage structure). These developments all exerted downward pressure on labor costs, especially at the lower end.<sup>30</sup>

In the service sector and beyond there is “a broad erosion of formal and informal wage norms” and “declining wages in large segments”.<sup>31</sup> The social effects of ongoing deregulation and fragmentation are widely felt. Sociological research shows strong feelings of injustice and suffering due to deteriorated working conditions, rising stress, low pay and strong social uncertainty among the rank-and-file.<sup>32</sup> There is no doubt that this social context led to the remarkably strong support of the railway strike and the GdL among the general public (already in 2007 and again in 2014-2015). In the middle of the hysterical and personalized smear campaign and even when people were affected as railway clients, surveys stated that more than a half of the German people “understand” and “support” the strike activities of the GdL. But the widespread unwillingness to discuss the social degradation is still reflected in (even leftist) academic literature where this public support mostly appears as a sort of populist attraction,<sup>33</sup> which neglects the importance of the “new social question” as an outcome of competition-led fragmentation and social downgrading.

<sup>30</sup> BRUFF, Ian. “Germany and the crisis: steady as she goes?” In: WESTRA, Richard; BADEEN, Dennis & ALBRITTON, Robert (eds.) *The Future of Capitalism After the Financial Crisis: The Varieties of Capitalism Debate in the Age of Austerity*. Op. Cit., p. 119f. See also GREER, Ian; DOELLGAST, Virginia. 2008: “Vertical Disintegration and the Disorganization of German Industrial Relations”. *British Journal of Industrial Relations*. Vol. 45, n.1, 2008, pp. 55-76; LEHNDORFF, Steffen. “German capitalism and the European crisis: part of the solution or part of the problem?”. In: LEHNDORFF, S. (ed.). *A triumph of failed ideas. European models of capitalism in the crisis*. Brussels: ETUI., 2012.

<sup>31</sup> STREECK, Wolfgang. “The Strikes sweeping Germany are here to stay. As pay gaps widen and conditions deteriorate, German public sector and service workers are turning to once-unthinkable industrial action”. Op. Cit., p.2.

<sup>32</sup> BERGMANN, Joachim; BÜRCKMANN, Erwin; DABROWSKI, Hartmut. *Krisen und Krisenerfahrungen. Einschätzungen und Deutungen von Betriebsräten und Vertrauensleuten*. Supplement der Zeitschrift *Sozialismus*, n. 4/2002.; HÜRTGEN, Stefanie; VOSWINKEL, Stephan. *Nichtnormale Normalität. Anspruchslogiken aus der Arbeitnehmermitte*. Berlin: Edition Sigma, 2014; KRATZER, Nick; MENZ, Wolfgang; TILIUS, Knut; WOLF, Harald. *Brüchige Legitimationen – neu Handlungsorientierungen? Gerechtigkeitsansprüche und Interessenorientierungen in Arbeit und Betrieb vor dem Hintergrund von Krisenerfahrungen*. Berlin: Sigma, 2015.

<sup>33</sup> HOFFMANN, Jürgen and SCHIMIDT, Rudi. “The train drivers’ strike in Germany 2007–2008: warnings for the future of the German trade union movement?”. Op. Cit.

### The call for competitive solidarity – strengthening the German path of capitalism

Both political elites and most academic observers create the picture of a need to strengthen and defend the traditionally good working German social partnership model (i.e., the DGB trade unions) against the particularism coming from the small professional unions.

In fact, also in academic debates – as in the public – small trade unions are regularly reduced to professional associations. Their actions are portrayed as representing “aggressively [...] their own [highly skilled] members outside established channels”<sup>34</sup> and further trying “to poach in foreign terrains”.<sup>35</sup> Professionally oriented unions, in this conventional argument, follow an “exclusive understanding of solidarity”, whereas the big industrial federations represent the principle of inclusive or “universal” solidarity.<sup>36</sup> In contrast to the big, DGB-affiliated trade unions, the “particularistic associations”<sup>37</sup> ignore the wider social and economic context and the given constraints (the “objective analytical criterion”, as Jürgen Hoffmann and Rudi Schmidt put it).<sup>38</sup> It is assumed that a certain “redistribution mass” (*Verteilungsmasse*) exists, which suggests that the “small” professional unions outside the DGB reduce the income level of employees as a whole.<sup>39</sup> Due to that, and because they can homogenize members’ demands much easier and translate them into radical requirements, above all better pay, they are perceived as a populist danger to both the inclusive big unions and the concerned companies.<sup>40</sup>

What we see here is an a priori understanding of universal solidarity as solidarity under given economic constraints. Particularism is assumed to question the so-called economic necessities (*ökonomische Sachzwänge*). The private interest in profits is regarded as the general interest (because it

<sup>34</sup> STREECK, Wolfgang. *Re-forming Capitalism. Institutional Change in the German Political Economy*. Oxford: Oxford University Press, 2009.

<sup>35</sup> HOFFMANN, Jürgen and SCHIMIDT, Rudi. “The train drivers’ strike in Germany 2007–2008: warnings for the future of the German trade union movement?”. Op. Cit.

<sup>36</sup> STREECK, Wolfgang. “Klasse, Beruf, Unternehmen, Distrikt. Organisationsgrundlage industrieller Beziehungen im europäischen Binnenmarkt”. In: STÜMPEL, Burkhardt; DIERKES, Meinof (eds.) *Innovation und Beharrung in der Arbeitspolitik*. Stuttgart: Schäffer Pöschel, 1993, p. 43ff.

<sup>37</sup> HOFFMANN, Jürgen and SCHIMIDT, Rudi. “The train drivers’ strike in Germany 2007–2008: warnings for the future of the German trade union movement?”. Op. Cit., p.339.

<sup>38</sup> Ibid., p. 333f.

<sup>39</sup> LESCH, Hagen. “Spartengewerkschaften – Droht eine Destabilisierung des Flächentarifvertrags?”. *Sozialer Fortschritt*. Vol. 57, n. 6, 2008, pp. 144-153; MÜLLER, Hans-Peter; WILKE, Manfred. “*Gestaltend Einfluss nehmen*” – *Bahngewerkschaft und Bahnreform 1993-2005*. Berlin, 2006, p. 323f.

<sup>40</sup> Ibid.



“creates” income and employment), and the goal is to strengthen competition-oriented social compromises. But unlike what is still celebrated as the well-functioning social model of German capitalism<sup>41</sup>, for the protagonists it is quite clear today that in an environment of harsh economic competition, concession bargaining is what is needed. The call for universal solidarity – in this framework – turns out to be a call for concessions in a highly fragmented, competitive economy and society. It aims to further political acceptance of measures like cost-cutting and deregulation, which are taken in order to strengthen competitiveness, not only at the national level, but on all scales of the firm and society.

This is exactly what can be seen in current public debates, and also in the text of the reformed labour law. In the latter, the main focus is on “employees in key working positions”.<sup>42</sup> The text makes clear that they have much power (due to their positions), and thus there is a risk of its “abuse”. – The argument goes that when “employees in key positions” bargain separately, this weakens the representation of all the others workers.<sup>43</sup> But a closer glance shows that the concern is not about the separation of bargaining units, but about obstacles to flexible concession bargaining at the firm level (especially, as the text puts it, in “times of crisis”):

Social partnership is of special importance in times of economic crisis – this is what the experiences have shown that have been made during the financial und Eurozone crisis. In such times, the social partners often have to find all-embracing compromises to maintain employment levels, which are, in the end, in the interests of all employees. The competition between diverging wage agreements can obstruct such all-embracing compromises.<sup>44</sup>

The argument is that “successful bargaining” could be disturbed by employees in key positions if they minimize the (given) scope for distribution (*Verteilungsspielraum*) at the firm level.<sup>45</sup> The “firm-level community” would be weakened, and this would pose a threat to “industrial peace” or more precisely the “pacification function” of collective

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<sup>41</sup> HALL, Peter and SOSKICE, David (eds.) *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*. Oxford: Oxford University Press, 2001; for a critical perspective, see BRUFF, Ian; EBENAU, Matthias. “Critical Political Economy and the Critique of Comparative Capitalisms Scholarship on Capitalist Diversity”. *Capital & Class*. Vol. 38, n.1, 2014, pp. 3-15.

<sup>42</sup> Deutscher Bundestag. *Entwurf eines Gesetzes zur Tarifeinheit*. Drucksache 18/4062, 20/02/2015, Berlin. Source: [<http://dip21.bundestag.de/dip21/btd/18/040/1804062.pdf>], p.8f.

<sup>43</sup> Ibid.

<sup>44</sup> Ibid.

<sup>45</sup> Ibid.

bargaining.<sup>46</sup> Moreover, “The employer cannot rely any longer on the validity of a collective agreement and thus a relatively peaceful cooperation during its duration”; instead “he can be faced at any time with a multitude of further demands”.<sup>47</sup>

In short, ‘bidding wars’ (*Überbietungskonkurrenz*) and the destabilisation of a peaceful procedure for the imposition of cuts are the main concerns. Anger within the “firm-level community” due to ongoing pressure from the employer’s side is not mentioned. Solidarity itself is based on the fundamental acceptance of a firm’s needs in the context of worldwide competition. Even more: solidarity as such is *a priori* defined as something to be situated within firms; there is no talk about broader social solidarity in society.

Thus the political project behind the “Unity of Collective Bargaining” act aims to ensure a competitive social partnership model via eliminating those who question this path. Explicitly, the grand coalition aims to avoid ‘bidding wars’ whereas dumping competition is not even mentioned, even if empirically it is much more important.<sup>48</sup> The competitive social partnership model is presented as something successful, and in turn widespread precariousness, fragmentation and social suffering are neglected. Poverty, precarious working and living conditions, extreme flexibility of working time etc. do *not* appear as the systematic outcome of this model.<sup>49</sup> Instead, small unions are accused of “egoistic” or “clientelistic” behaviour, which is said to attack a well-running system. This amounts to denying and neglecting not only the social reality, but also the behaviour of the train drivers’ trade union. The GdL was attacked heavily for professional clientelism, but for its part it wants to be recognized as a sector-wide union – contrary to bargaining only and separately for “employees in key positions”.

## Conclusion

The irony is that the GdL indeed questioned *de facto* the inherent need for competitiveness, but not programmatically. Its resistance to the ruling bloc

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<sup>46</sup> Ibid.

<sup>47</sup> Ibid.

<sup>48</sup> DRIBBUSCH, Heiner: “Tarifpolitische Konkurrenz als gewerkschaftspolitische Herausforderung. Ein Beitrag zur Debatte um die Tarifeinheit”. Op. Cit.

<sup>49</sup> DÖRRE, Klaus. “Funktionswandel der Gewerkschaften. Von der intermediären zur fraktalen Organisation”. In: HAIPETER, Thomas; Haipeter; DÖRRE, Klaus (Hg.). *Gewerkschaftliche Modernisierung*. Wiesbaden, 2011, pp. 267-301.

of employers, government and the big trade unions is heroic, and the possibility to bypass recently passed legislation (at least up to the year 2020) is historic. There is no doubt that the strong backing of the “small” trade union by the public has to be analysed as the expression of widespread suffering at work due to deregulation and strong social degradation. But until now there has been no attempt to expand this dynamic, to bring it together with other industrial conflicts, especially in the public sector, to argue for a social infrastructure in society or to enlarge the request for “dignity” at work. The latter is the slogan that had been put forward in both the railway conflict, but also, and even more loudly during a strike wave in the education and social work sector. For the moment, those kinds of efforts to push for a more general debate about any perspective of a wider social transformation with regard to social needs, living and working conditions or even questions of democracy are generally absent. Thus the neglect of the growing social crisis in Germany by the ruling bloc is not actually challenged and as a result the “mask of ‘success’” continues to function. From outside, but ironically also from within, Germany seems to combine successfully economic “strength” and social inclusion – a myth that puts the finger on questions about capitalist development as a whole.

## **Class coalitions or struggles within the working class? Social unrest in India and Brazil during the global crisis**

*Jörg Nowak*

### **I**ntroduction

In the past five to ten years many of the emerging economies experienced considerable social unrest – a fact that sits awkwardly with the success stories of rising powers from the global south that were promulgated by numerous social scientists, among them left-wing and progressive ones.<sup>1</sup> In this text, I will look closely at the relationship between mass strikes and street protests and its implications for class politics, focussing on the recent protest movements in India and Brazil. Both countries are emerging global powers with high rates of economic growth that have experienced huge social protests in recent years. While the street protests in both countries attracted a lot of international attention, the mass strikes have only been covered in the national media.

Two things are striking about my cases: first, they go against John Saul's claim<sup>2</sup> that whereas strikes are organised by the working class, street protests are forms of resistance used by precarious workers, the underclass and the lumpenproletariat. The working class was indeed responsible for organising mass strikes, which often included violent outbursts. However, more precarious strata were at their forefront. In contrast, the street protests, which were more ambivalent in a political sense, were carried

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<sup>1</sup> SCHMALZ, Stefan; EBENAU, Matthias. Ebenau. "Brasilien, Indien und China: Unterschiedliche Transformationspfade in der Krise". In: NÖLKE, Andreas; MAY, Christina; CLAAR, Simone (eds.). *Die großen Schwellenländer*. Wiesbaden: Springer VS, 2013, pp. 43-60; MAY, Christian. "Die Dissoziation der BRICs im finanzierten Kapitalismus". *Peripherie*, n. 130/131, 33. Jg, 2013, p. 264.

<sup>2</sup> SAUL, John S. "Neue Formen des Widerstands. Proletariat, Prekariat und die afrikanischen Aussichten". *Peripherie*. N. 136, 34. Jg., 2014, pp. 487-507.

predominantly by the middle classes.<sup>3</sup> Second, my cases contradict the dominant descriptions of the recent protest movements by “progressive” intellectuals, who largely ignore the strike movements.<sup>4</sup> In fact, there is a stark contrast between recent events and the period of the late 1960s. Then, middle-class students started protests, which were most marked in the US, Mexico, France, Germany and Italy. The working class followed suit in some countries with major strike movements, predominantly in France, Germany and Italy, but also in Portugal, Spain and Brazil. In the 2010s, this pattern was reversed: huge strike movements preceded street protests of the middle classes in Egypt, China/Hongkong as well as India and Brazil. It is only recently that accounts of the recent waves of protests have emerged that capture this dynamic.<sup>5</sup>

My aim in this text is to establish the differences between strikes as working class protests and interclass street protests dominated by the middle class, in particular the diverging processes of organisation and politicisation connected to them. In contrast to authors like Saul,<sup>6</sup> I do not intend to make a general trans-historical statement on which different groups and classes are using which means of political mobilisation.<sup>7</sup> Instead, I discuss protest movements in a specific historical conjuncture in two countries in order to show that general and transhistorical assumptions about means of mobilisation do not hold. In other words, my analysis refers exclusively to two countries in a specific conjuncture.

<sup>3</sup> SITAPATI, Vinay. “What Anna Hazare’s Movement and India’s New Middle Classes Say about Each Other”. *Economic and Political Weekly*. Vol. 46, No. 30, July 23, 2011, pp. 39-44; BANERJEE, Sumanta., “Anna Hazare, Civil Society and the State”. *Economic and Political Weekly*. Vol. 46, n. 36, December 3, 2011, pp. 12-14; VISVANATHAN, Shiv. “Anna Hazare and the Battle Against Corruption”. *Cultural Critique*. No. 81, 2012, pp. 103-111; ESTANQUE, Elisio. “Rebeliões de classe média? Precariedade e movimentos sociais em Portugal e no Brasil (2011-2013)”. *Revista Crítica de Ciências Sociais*. n. 103, Maio 2014, pp. 53-80.

<sup>4</sup> HARDT, Michael; NEGRI, Antonio. *Demokratie! Wofür wir kämpfen*. Frankfurt/Main: Campus, 2012; KRAUSHAAR, Wolfgang. *Der Aufruhr der Ausgebildeten*. Hamburg: Hamburger Edition, 2012; CASTELLS, Manuel. *Networks of Outrage and Hope*. Cambridge: Polity Press, 2012.

<sup>5</sup> NOWAK, Jörg. “Massenstreiks im Bausektor Brasiliens zwischen 2011 und 2014”. *SozialGeschichte Online*. n. 17, 2015, pp. 15-50; BEWERNITZ, Torsten. “Globale Krise - globale Streikwelle? Zwischen den ökonomischen und demokratisch-politischen Protesten herrscht keine zufällige Gleichzeitigkeit”. *PROKLA*, Vol. 44. n. 4, 2014, pp. 513- 529; KARATASLI, Sahan Savas; SEFIKA, Kumral; SCULLY, Ben; UPADHYAY, Smriti. “Class, Crisis, and the 2011 Protest Wave. Cyclical and Secular Trends in Global Labour Unrest”. In: WALLERSTEIN, Immanuel; CHASE-DUNN, Christopher; SUTER, Christian (eds.). *Overcoming Global Inequalities*. London: Routledge, 2015, pp. 184-200.

<sup>6</sup> SAUL, John S. “Neue Formen des Widerstands. Proletariat, Prekariat und die afrikanischen Aussichten”. Op. Cit.

<sup>7</sup> South Africa is Saul’s country of reference. Obviously, certain groups of precarious workers in the country have recently been organising street protests while others took part in the strike action at South African mines.

Nonetheless, this conjunctural analysis is based on certain non-conjunctural theoretical assumptions: in this respect, I distinguish between a structural class determination and classes as political forces.<sup>8</sup> With reference to Becker, I contend that classes as structural formations can become the basis for classes as political forces, but that this is not always the case. Political articulations are determined by structurally inscribed class positions, but nonetheless they may constitute themselves as religious or cultural conflicts or may be over-determined by other processes of political formation. I agree with Erik Olin Wright that the largest part of waged workers belong to the working class, but that there are also middle classes existing alongside the bourgeoisie in the classical sense, which have a contradictory class position: the middle classes are not only composed by small entrepreneurs, but also different groups of white-collar workers and engineers with leading positions both in the private and the public sector.<sup>9</sup>

The thesis put forward in this text is that the contradictory class position of the middle classes has an effect on their choice of forms of protest. Middle-class protests are more short-lived, but often more visible than the protests of the working class. Importantly, the middle classes tend to sway between radical left and conservative political orientations – in often surprising twists and turns. Connected to this is an assertion that is backed up by the results of my fieldwork: the protests of the working classes appearing mainly in the form of strikes show a greater degree of consistency and coherence. The different characteristics of the forms of protest explain why working and middle classes find it hard to forge permanent political coalitions.

In order to gather information on the mass strikes in India and Brazil, I started a research project in the summer of 2013. The information I found is from media reports, secondary literature, and political writings. Furthermore, I conducted 60 interviews in India between October 2013 and January 2014, and 75 interviews in Brazil between July and October 2014. In the following, I will first present a detailed overview on the strike and protest movements in each countries and describe their specific contexts. After that, I will spell out the implications of my findings for class politics and class theory.

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<sup>8</sup> POULANTZAS, Nicos. *Classes in Contemporary Capitalism*. London: New Left Books, 1975; BECKER, Uwe. “Zum Status der Klassentheorie und der klassentheoretisch fundierten Politikanalyse – heute“ (1984). In: THIEN, Hans-Günter (Hg.). *Klassen im Postfordismus*, Münster: Westfälisches Dampfboot, 2010, pp. 23-45.

<sup>9</sup> WRIGHT, Erik Olin. *Class, Crisis and the State*, London: New Left Books, 1978, p. 62.

**India: Revolts in Automotive Factories and “India Against Corruption”***Liberalisation and the rise of Hindu nationalism*

India has been witnessing a twin development since the early 1990s: in 1991 the domestic market of India was opened, which led to processes of liberalisation, privatisation and globalisation. Around the same time, the mass mobilisations of the Hindu nationalists began, predominantly organised by the Rashtriya Swayamsevak Sangh (RSS) and the Bharatiya Janata Party (BJP). These mobilisations escalated into the destruction of the Babri Masjid mosque in Ayodhya and the Mumbai riots in December 1992, in the course of which more than 2,000 people were killed. Thus, the economic liberalisation and the ascent of Hindu nationalism ran in parallel. The BJP won a considerable number of additional seats in the parliament during this period of community-level polarisation, jumping from 85 to 182 seats (out of a total of 545) in the lower house (Lok Sabha) between 1989 to 1998. In the same period, economic liberalisation was accompanied by considerable GDP growth, and the trade unions and the Indian left were weakened significantly. During the first government led by the BJP between 1998 and 2004, the party refrained from triggering further religious polarisation; however, it continued to pursue an aggressive, neoliberal path of economic development. Its plan for a wide-ranging flexibilisation of the labour market caused a protest wave in 2003 that was the basis for the return of the Congress Party into national government in 2004, where it remained for the next ten years. On the whole, the Congress Party continued with employer-friendly politics. Nevertheless, it introduced social transfers for the rural population for the first time, most importantly the National Rural Employment Guarantee Act (NREGA, 2005), which is supposed to guarantee a minimum wage and a form of limited unemployment insurance. The development of wages in India can be characterised by two contradictory tendencies: while the median income has been rising, inequality between different regional states as well as within regional states has been increasing massively since the year 2000.

Between 2005 and 2009, widespread labour unrest occurred in factories in the industrial belt south of New Delhi, primarily in motorbike and automobile factories. In June 2011, protests against corruption and strikes at the biggest passenger car producer Maruti Suzuki were escalating at the same time. The BJP won the national elections in spring 2014. The main causes of discontent with the Congress-led government were the economic recession in 2013, price hikes in electric energy and vegetables and new revelations concerning corruption. Today, the BJP holds 281 seats in the lower house, which represents, for the first time in the history of India, an

absolute majority for this party at the national level. Over the medium term, the increasing flexibilisation of the labour market appears to have concurred with the ascent of the BJP, which displays an image of a right-wing, religious and market-friendly party.

### *Revolts in car factories*

During recent years, employment of contract labour has become a contentious issue and a key reason for the increasing labour unrest. While strikes and protests are common global phenomena but violence and killing is not at all justifiable under any circumstances as it is a pure case of disruption of law and order situation. This surge in violence disturbing industrial relations has become a concerning situation for all.

All India Organisation of Employers, November 2012

The automotive industry in India saw a rapid development in the 2000s: production rose from 1.3 to 4.1 million cars per year between 2001 and 2012.<sup>10</sup> Today, India is the sixth biggest producer of passenger cars and utility vehicles worldwide. Moreover, the country is in second position after China in the production of motorcycles, with an output of 14 million bikes per year. During the period in which the production of passenger cars quadrupled, the medium real wage in the industry decreased by about 25 per cent.<sup>11</sup>

What had happened? The restructuring in the Maruti company explains the process behind it: India's biggest producer of passenger cars, Maruti Suzuki, had been a joint venture between the Indian government and the Japanese multinational corporation Suzuki; since 2007, it has been under majority control of the Suzuki Motor Corporation. In 2000-1, there was a conflict at Maruti Suzuki in its sole factory at that time, which was located in Gurgaon south of New Delhi. This conflict set the future path of the industry. Several thousand workers were offered a "voluntary" retirement scheme – to which they reacted over several months with strikes and assemblies in front of the factory. In the end, the corporation prevailed and installed a subservient

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<sup>10</sup> OICA (International Organisation of Motor Vehicle Manufacturers), 2012: Production Statistics, [<http://www.oica.net/category/production-statistics/2012-statistics/>]. Accessed 07/03/2014.

<sup>11</sup> PUDR (Peoples Union for Democratic Rights). *Driving Force. Labour Struggles and Violation of Rights in Maruti Suzuki India Limited*, 2013, p.6. [<http://www.pudr.org/?q=content/driving-force-labour-struggles-and-violation-rights-maruti-suzuki-india-limited>]. Accessed 28/05/2014.



trade union in the factory, so that the number of contract workers rose rapidly.<sup>12</sup> This model of labour relations was established throughout the industry in the course of the 2000s. Today, permanent workers in the automotive industry represent about 30 to 50 per cent of the workforce; in ancillary industries, the number is only 3 to 5 per cent. In 2005, the first big conflict of a new cycle of struggles occurred in the factory of Honda Motorcycles (HMSI) in Manesar, a new industrial area at that time. This strike was supported both by permanent and contract workers; however, it ended with wage hikes for permanent workers while contract workers did not see a betterment of their conditions. In the period between 2005 and 2009, the initiative of the contract workers proved decisive for strike movements, and the division between contract and permanent workers remained quite effective. This situation emerged in a *de facto* alliance of management, traditional trade unions and permanent workers. It was the strike at Maruti Suzuki in 2011 that disrupted this pattern of conflict.

The labour unrest that has been taking place at Maruti Suzuki since 2011 is widely regarded as the peak of industrial militancy in the car industry, but it was accompanied by other confrontations elsewhere. In 2007, production started in a second Maruti factory, which was located in the Industrial Model Town (IMT) Manesar. In this factory, workers were younger than in the mother plant, and 70 per cent were contract workers, trainees or apprentices – all in all, 4,000 workers who are all male. The wage difference between permanent and contract workers was narrower than in other factories: in 2011, contract workers earned around 6,000 Rupees a month (85 Euros), and permanent workers 12-14,000 Rupees (170 to 200 Euros).

There was wide-spread discontent among workers due to the high work speed in full automatic production (a car leaves the assembly line every 45 seconds) and health problems caused by a lack of adequate breaks. They founded a new trade union, the Maruti Suzuki Employees Union (MSEU). Importantly, the registration of a new union in the regional state of Haryana requires approval by management (as an informal rule) – despite the fact that this is illegal. Furthermore, permanent and contract workers are not allowed to be members of the same trade union, due to the Trade Union Act. If the contract workers form a separate union, they will only be able to negotiate with their contractor, not with the principal employer.

In this situation, the bosses of Maruti Suzuki tried to force the workers to become members of a puppet union called Maruti Udyog Kamgar Union

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<sup>12</sup> PUDR. *Hard Drive. Working Conditions at Maruti Udyog Limited*, 2001. [<http://www.pudr.org/?q=content/hard-drive-working-conditions-maruti-udyog-ltd>] Accessed 02/06/2014.

(MUKU) that had been installed in the first plant in Gurgaon. As a reaction, 3,000 workers went on strike on 4 June 2011. Notably, the strike was a joint action of contract and permanent workers, although the conflict was about the union of permanent workers that contract workers could not join. Part of it was the occupation of the factory. On 17 June, the factory occupation ended with a compromise, and the management assured the workers that their trade union could be registered.

However, in early October 2011, a second occupation took place when more than 1,100 contract workers were locked out. This time, the permanent workers fought for the contract workers. Workers also occupied three other Suzuki factories located nearby. At around 15 suppliers, workers joined the strike for two days. In order to avoid violent confrontations, the workers left the factories after two weeks, but continued with their strike in four factories until 21 October. While a second agreement with management was negotiated, the leadership of MSEU was bought out under the threat of prison charges.

Finally, in March 2012, it was possible to register the new union, which was called Maruti Suzuki Workers Union (MSWU). Negotiations between the MSWU and management followed, but were broken off on 14 July because the employers refused to make concessions. A fight between a foreman and a worker over break times triggered an uprising in the factory, which left more than 50 managers hospitalised. Furthermore, parts of the factory were set on fire, and one manager died in the flames.

After the confrontation, the factory remained closed for a month, and management dismissed 1,800 contract and 500 permanent workers in an arbitrary fashion. Furthermore, the police arrested 147 workers, some of whom were on holidays or were off sick on the day of the uprising. All these 147 workers including the union leadership were under arrest until spring 2015, for almost three years. Until January 2016, 35 workers remained in jail.<sup>13</sup>

After the Manesar plant reopened, the wages of permanent workers were increased significantly – to around 30,000 Rupees. The bulk of contract workers is no longer employed with one of the 60 sub-contractors that used to operate at the plant, but with Maruti. Their wages have risen to 12,000 Rupees. Importantly, the difference between the wages of the two groups

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<sup>13</sup> For a detailed analysis for the conflicts at Maruti Suzuki, see NOWAK, Jörg. “Strikes and Labour Unrest in the Automobile industry in India - the case of Maruti Suzuki India Limited”. *WorkingUSA*. Vol. 19, N. 4, 2016, in print.

has grown considerably. It seems that the management aims for a closer relationship with permanent workers.

The conflicts that occurred at Maruti Suzuki reveal a transformation of working-class struggles in the industrial belt around New Delhi. The workers understood that only a common resistance of contract and permanent workers could lead to success, and that occupations exert more pressure than strikes in front of factory gates:

It was a constant class war. Permanent workers were an organised force but the contract workers always remain insecure about their job. And the management tried very hard to intimidate a section of contract workers using all sorts of tricks. But the uniqueness of the Maruti Suzuki struggle was that we could strike a unity between contract workers and permanent workers. That scared the management because this practice is all over India. They divide the contract and permanent workers. So there is an emerging unity between contract and permanent workers, it is a sign of upcoming danger for capitalists.<sup>14</sup>

In addition, the workers were able to build networks with workers from other factories that often formed part of the same supply chain. However, they did not succeed in mobilising workers at the second plant in Gurgaon. Furthermore, the MSWU remained under the influence of more established unions like AITUC during the occupations in 2011:

None of the trade unions helped us fully. They supported us half-heartedly. They just kept assuring us of help but practically did nothing”.<sup>15</sup>

Maruti union was an independent union but we didn't have any experience of trade union activities. Initially we didn't know the character of these big trade unions like HMS and AITUC. They supported us and we too accepted their support. But later on there were some compromises with the company and they were handled by these unions. Later on we could see the double game of these unions. (...) We think an independent union is fine. (...) It is better to remain independent.<sup>16</sup>

Eventually, the MSWU became more and more independent from the central trade union federations and increasingly favoured broad coalitions. It has good links to company unions in Gurgaon, but also to intellectuals like Arundhati Roy and to other social movement actors like radical student groups, Maoist organisations and parties, Bolshevik trade unions of rural workers, etc. The union managed to instigate the creation of networks all

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<sup>14</sup> Maruti Worker 9, interview 26/01/2014.

<sup>15</sup> Maruti Worker 2, interview 5/12/2013.

<sup>16</sup> Maruti Worker 9, interview 26/01/2014.

over the Indian subcontinent: in the course of 2013, two national days of action for the Maruti workers were held in more than 20 cities. All in all, the union pursues a social movement unionism strategy that does not fit into the established patterns focussing solely on negotiations with management. The success of this political approach to mobilisation is also reflected in the results of the union elections that took place at the two Maruti plants in April 2014: the MSWU received the absolute majority of votes in both factories, and gained 11 out of 12 seats on the workers' committee in Manesar, and five out of six seats of union representatives at the other factory in Gurgaon.

After the uprising at Maruti Suzuki, other mobilisations in the sector followed: in the summer of 2013, the second biggest motorbike producer in India, Bajaj Auto, saw a 50-day strike in Pune. In the spring of 2014, Toyota Kirloskar, which is located close to Bangalore, experienced a one-month strike. However, in neither case, the workers made real gains. Two longer occupations in the industrial belt of New Delhi occurred, one in three factories of Napino Auto ended with a wage agreement, and another at Shiram Pistons & Rings in April and May 2014 ended with police interventions and mass arrests. New protests of contract workers at Maruti Suzuki in Manesar flared up in September 2015. All in all, workers have only achieved small improvements. Given a food price inflation of 20 per cent and an official rate of inflation of about 6.5 per cent from 2011 onwards, the wage hikes at Maruti for contract workers translate into a modest increase of real wages, but not into a qualitative leap. In contrast, the new forms of cooperation of workers across different companies and union federations can be regarded as a leap at the organisational level.

In conclusion, the driving force of strikes since the mid-2000s have been contract workers who cannot be represented by unions of permanent workers because of the Indian system of industrial relations, which reinforces existing divisions in the workforce. It was predominantly the strikes in the automobile sector that became an object of public debate due to massive police interventions and violent protests of workers. The political significance of labour unrest increased with the strike at Maruti thanks to it being a multinational enterprise and the biggest passenger producer nationwide. The arbitrary arrests by police and the inaction of labour courts were discussed in mainstream newspapers, which highlighted the fact that the law was bent in favour of the employers in the wake of the conflicts at Maruti Suzuki.

*'India against Corruption' and a new political party*

In November and December 2010, a number of corruption scandals roused the public: the irregular access of military veterans to housing (the “Adarsh Housing Society scam”), the irregular access of wealthy individuals to real estate credit and faked auctions of mobile communication licenses (the “2G spectrum scam”). In late December 2010, 20,000 people demonstrated in New Delhi against corruption. A month later, protests against corruption took place in 52 Indian cities, and in mid-January 2011 top managers like Keshub Mahindra voiced their disapproval of corruption in an open letter. On 27 February 2011, 100,000 people gathered for a protest in New Delhi. The most prominent leader of the movement, Anna Hazare, had been fighting against corruption in Maharashtra since the 1990s, initially targeting the right-wing parties Shiv Sena and BJP in 1997-8 and later conducting a death fast against the centre-left Nationalist Congress Party, a split-off from Congress. In 2011, Hazare voiced his support for the presidential candidate of the BJP, Narendra Modi, but later withdrew it. His tactics resemble those of his idol Mahatma Gandhi, but have been criticised frequently by Dalits and leftists for their association with “upper caste Hindu values” and the urban middle class.<sup>17</sup>

In April 2011, Hazare staged a public hunger strike in the centre of New Delhi and demanded a Jan Lokpal Bill – a law that establishes a control commission monitoring corruption, composed of government and civil society representatives. Support for the movement came both from the BJP and from left parties, but for Hazare the distance from all political parties was an integral part of his protest. Soon after, the Congress Party gave in and integrated five leaders of the movement into a committee tasked with discussing the implementation of a Jan Lokpal Bill, among them Hazare and Arvind Kejriwal.

In early June 2011, another important leader of anti-corruption protests, the TV yoga teacher Baba Ramdev, invited people to join a 40-day protest in Ramlila Square in New Delhi. He demanded a confiscation of black money of Indian companies that are allegedly deposited in bank accounts in Switzerland. On 4 June, the day when Maruti workers occupied their factory in Manesar for the first time, 65,000 of his supporters filled the square and erected a camp. On the following night, 10,000 policemen with teargas and batons attacked the protesters at 1am. All political parties except for the Congress Party protested against the violent suppression of the protests. In 2014, Ramdev voiced his support for Modi, the BJP candidate.

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<sup>17</sup> VISVANATHAN, Shiv. “Anna Hazare and the Battle Against Corruption”. Op. Cit., p. 108.

In December 2011, a watered-down version of the Jan Lokpal Bill passed the lower house of parliament. A revival of the protests in spring 2012 against it failed, and in late 2012 Kerjriwal parted ways with Hazare to found the Aam Admi Party (AAP, the party of the common man).

Kerjriwal and others tried to transform the support for the movement into a permanent political force with the new party. In December 2013, the AAP reached second place in the New Delhi state elections with 28 out of 70 seats. It received a large number of votes from middle-class and poor neighbourhoods alike. Contrary to a previous announcement of non-cooperation with established parties, the AAP formed a coalition with Congress. When AAP tried to pass a Jan Lokpal Bill in the regional parliament, BJP and Congress denied approval. Because of this failure to implement the bill, the AAP left the government after only 49 days. The quick retreat from power has been widely regarded as a tactical move ahead of national elections. But AAP only managed to win four seats in the lower house in the national elections, and thus failed to achieve its goals.

The first climax of the anti-corruption movement coincided by chance with the factory occupation of the Maruti workers, but the connection between both movements remained vague. It was a weakness of the anti-corruption movement that it did not succeed to develop a political agenda beyond the demand for a Jan Lokpal bill. The AAP also encountered difficulties with creating a clear-cut political identity and proved unable to capitalise on the wave of sympathy that had carried them to office in December 2013. Nonetheless, the AAP reorganised itself in 2014 and won a landslide victory in new elections for the city of New Delhi in February 2015, gaining 67 of 70 seats.

The anti-corruption movement had been an interclass movement from the start, receiving support both from influential CEOs, the middle classes and the poor. Its ideology and its leaders represented the moral values of the new middle class whose economic base is in the private sector – in contrast to the old middle class, which is tied to the public sector.<sup>18</sup> The attitude of Hazare, its most prominent leader, to reject political parties altogether, resembled the “anti-political” political forces that have gained influence in several European countries in the wake of the economic crisis, such as the Pirate Party in Germany or the Five Stars Movement in Italy. The party political arm of the movement avoided positioning itself along the left-right axis – presumably out of fear of losing the image of a novel force in politics.

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<sup>18</sup> SITAPATI, Vinay. “What Anna Hazare’s Movement and India’s New Middle Classes Say about Each Other”, Op. Cit..

*Factory struggles and India Against Corruption – relationship of a non-relation*

It was purely by chance that the conflict around the Manesar factory of Maruti Suzuki occurred at around the same time as one of the huge mobilisations against corruption. Both protest movements remained largely unconnected; however, after the uprising in 2012, some of the leaders of “India against Corruption” and high party officials of the AAP expressed their solidarity with the Maruti workers.<sup>19</sup>

The working-class struggles that preceded the street protests reflected, to a large degree, the interests of the contract workers, who can only afford basic amenities that do not include regular access to water or electricity.<sup>20</sup> The common interests of permanent and contract workers emerged from the shared experiences on the shop floor – the lack of proper breaks and a high work speed.<sup>21</sup> Even in cases of bereavement or weddings, the workers did not get any leave without losing a significant share of their wage. The contacts between the different groups of workers did not only intensify at

<sup>19</sup> NOWAK, Jörg. “March for Justice: The Protest of India’s Maruti Suzuki Auto Workers Against Imprisonment and Dismissals”. *WorkingUSA*. Vol. 17, n. 4, December 2014, pp. 579-586.

<sup>20</sup> “The wage was below the subsistence and if you look at the inflation and market rates of Gurgaon, it is a very expensive area and it becomes very difficult to survive and run a family at such a low wage.” Maruti Worker 9, interview 26/01/2014.

<sup>21</sup> “The very first problem in the factory was that they gave no holiday to the workers. They tortured them. They did not even allow the workers to go to the bathroom. The workload was very high”. Maruti Worker 2, interview 5/12/2013; “Many of the strikes that took place were a revolt against the brutal working conditions and the work pressure (...) And one main problem was about leave. If we didn’t work for one day they used to cut the leave for a whole month. (...) Verbal abuse, mental torture and other harrassment. There was no job security. Permanent was just a word but still no job guarantee. They even did not allow going to the bathroom even in an emergency”. Maruti Worker 9, interview 26/01/2014; “If we used to get late by one second then it was considered as half a day (of wages, J.N.) and on the other hand there was no pay for extra work (...). When the financial crisis was going on at that time all workers were forced to do overtime. And then they started paying Rs. 10 (12 eurocent, J.N.) per hour for over time. But it was nothing. In one hour the production was of 100 cars. (...) At 9am we used to get seven and a half minutes tea break and so you have to have your tea, snacks or whatever (...) within that seven and a half minutes. Time was so less that workers had to carry the tea to the toilets. And before the siren rings one has to reach the workstation. If someone gets late for reaching the workstation after the break the management used to verbally abuse the workers”. Maruti Worker 8, interview 26/1/2014; “That struggle brought out the intimidating and exploitative working conditions and the way we were treated in the workplace, no one knew about this outside. For example, no time for eating or toilet breaks in 8 hours, not a single holiday etc. So these things were not known outside and when media brought these issues out it had an impact. And whatever might be the situation, (they gave) no leave even if somebody dies at home. And for one day of leave they used to cut Rs. 1800 and for two it goes up to Rs. 3200 out of a total salary of Rs. 8000 for permanent workers”. Maruti Worker 7, interview 26/01/2014.

work, but also in the neighbourhoods and while they were commuting on the transport provided by the employer. Since the presence of traditional left-wing parties such as the Communist Party of India and the Communist Party of India (Marxist-Leninist) in urban life has been dwindling in recent years and the party leaderships are over-aged, a situation emerged in which working-class movements operated in a political vacuum. The militant workers did not build a platform representing their interests at the political level. But the anti-corruption movement reflected the popular anger that had built up with the strikes, and as with other strata of society acted as a platform for integrating working-class interests due to the absence of other alternatives. Nonetheless, the practical relationship between the strikes and the anti-corruption movement remained vague – despite the fact that workers share sympathy for some of the leaders of this movement like Hazare.

There is a stark contrast between the medium-term mobilisation and organisational formation of the industrial workers during the last decade and the rapid surge and decline of the protests of the anti-corruption movement, which is based on parts of the middle classes, the urban poor and the bourgeoisie. The anti-corruption movement emerged out of protests against the illegitimate access of party or corporate elites to various forms of resources. It was at times articulated with a pro-poor agenda, for example when the AAP demanded cuts to energy and water prices. At the same time, the AAP responded to demands to implement one of its manifesto pledges, that is, the abolition of contract labour, with repression. This was the case both when a bus drivers' strike took place in January 2014, and when the contract workers in the Delhi Metro mobilised in the spring of 2015. Some commentators saw the anti-corruption campaign as a struggle within the middle class: the new corporate middle class mobilised (or was mobilised by CEOs) against the old “corrupt” middle class in the public sector. Thus, the movement can also be seen as a warning given by new corporate elites to established state elites to follow their course, since big corporations have not been at the centre of the corruption scandals that were targeted by the movement.

With the consolidation of the AAP in 2015, the anti-corruption movement has established a political platform, but it also revealed its limits in terms of its preparedness to change labour relations. At the same time, the unrest in factories in the Delhi area has continued. A proper political formation of workers is not yet in sight, although advances in the organisation and coordination of workers have been achieved.



## **Brazil: Mass strikes at construction sites and street protests against ticket fare hikes**

### *The Lula and Dilma Presidencies*

The presidencies of Luis Inácio Lula da Silva and Dilma Rousseff, both from the *Partido dos Trabalhadores* (Workers' Party, PT), seemed to be amazingly successful, combining economic growth with an expansion of social security: extreme poverty decreased from 36 to 16 per cent between 2003 and 2012, the median income rose, the minimum wage saw considerable increases, informal employment went down in favour of regular jobs, and unemployment decreased to six per cent.<sup>22</sup> But since the onset of the global crisis, economic growth in Brazil plunged and has yet to pick up again. Since 2010, the growth rate has remained significantly lower than in other emerging economies, reaching only 0.2 per cent in 2014. Since the end of Lula's presidency, there is a double movement away from the PT: both employers and workers are more sceptical towards the government. When Dilma Rousseff entered the presidency, growth numbers were already quite low, and those parts of the middle class that had been a traditional base for the PT began to distance themselves from the party.<sup>23</sup> The traditional hatred of the middle class towards the poor saw a comeback since domestic employees started to expect higher wages, and the new lower middle class entered social locations that had been the exclusive domain of the old middle classes – expensive restaurants, airports, luxury goods shops, etc.

The strike wave since spring 2011 allowed for an increased visibility of the radicalisation of the low waged sections of the working class. The PT government found itself in a sandwich position between the new demands of workers and the waning support of the middle classes. After Dilma Rousseff won the presidency in the autumn of 2014 with a close vote, right-wing forces started demonstrations demanding a coup d'état by the military, and these demonstrations became mass protests in 2015 that focused on the corruption at the state-owned oil company Petrobras and on opposition to the president.

It was and is a constant problem of the PT that it has remained far from obtaining a majority in the lower and the upper house. As a result, it has entered into coalitions with parties that stem from the old clientelist elite and usually does not hold more than a third of the seats in parliament that these coalitions possess overall. In light of this, it is grossly misleading to

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<sup>22</sup> KREIN, José Dari; BALTAR, Paulo Eduardo Baltar. "A retomada do desenvolvimento e a regulação do mercado do trabalho no Brasil", in: *Cadernos CRH*. Vol. 26, n. 68, 2013, pp. 273-292.

<sup>23</sup> SINGER, André. *Os Sentidos do Lulismo - Reforma gradual e pacto conservador*. São Paulo: Companhia das Letras, 2012.

refer to the Lula and Rousseff governments as “PT governments”. The PT is forced to make compromises that diminish its popularity among the subaltern classes.

*Mass strikes of construction workers and urban employees*

One of the central objectives of the Lula and Rousseff governments has been the industrialisation of the north and northeast of the country, where the medium income is about a third of that in the economic centres of Rio de Janeiro and São Paulo. The migration of workers from the northeast to the southeast has been a dominant pattern of internal migration in the past, which also drove the strikes of metal workers in 1978 to 1980 in the region of São Paulo. These strikes established Lula as a political leader, and provided the basis for the emergence of the PT in 1980 and the trade union federation CUT in 1983. Importantly, they showed that there are limitations to the control of the military dictatorship over civil society.<sup>24</sup> The practical basis for the industrialisation of the northern regions is the programme for an acceleration of growth, *Programa de Aceleração do Crescimento*, (PAC). PAC started in 2007, and continued with PAC 2 in 2010. PAC 1 consisted of an investment of 150 billion Euros between 2007 and 2010, about half of it for energy infrastructure; PAC 2 has a volume of 500 billion Euros. The bulk of the funding comes from state companies like Petrobras and the Brazilian development bank *Banco Nacional de Desenvolvimento Económico e Social* (BNDES). The PAC programme includes the construction of hydroelectric plants, refineries, steel plants, petrochemical complexes as well as traffic infrastructure like highways and railway lines.

The mass strikes since 2011 occurred to a large extent at the PAC construction sites, most of which were run by multinational Brazilian construction companies like Odebrecht, Camargo Correa and Andrade Gutierrez. In February 2011, a strike wave at smaller construction sites in the state of Bahia occurred in which 80,000 workers participated. In mid-march, the strike wave moved to the PAC construction site in Pecém close to Fortaleza in the state of Ceará. Many workers from Bahia were employed at this site. In 2009, a consortium comprising the Italian company Maire Tecnimont and the Portuguese company Efacec had started constructing a thermoelectric plant for the energy companies EDP (Portugal) and MPX

<sup>24</sup> ANTUNES, Ricardo. *A rebeldia no trabalho. O confronto operário no Abc Paulista: As greves de 1978/80*. Campinas: Editora Ensaio/Editora da UNICAMP, 1988; VÉRAS DE OLIVEIRA, Roberto. *Sindicalismo e Democracia no Brasil. Do novo Sindicalismo ao Sindicato Cidadão*. São Paulo: AnnaBlume, 2011.

(Brazilian, but with a significant stake of the German energy company, E.ON). 6,000 construction workers organised the strike without the involvement of trade unions and set parts of their dormitories on fire. After a few days, the strike extended to the construction site of Jirau, 3,800 kilometres away from Pecém. In Jirau, in the state of Rondônia, 20,000 workers were building a hydroelectric plant. The strike there became a landmark for Brazilian industrial unrest since the fierceness of the riots and the level of property destruction were exceptional, and the government immediately resorted to tasking the National Guard (Força Nacional) with the suppression of the strike. Shortly after, the strike wave reached nearby Santo Antonio, where 15,000 workers constructed another hydroelectric plant, and two construction sites for a petrochemical complex in Suape close to Recife. There, 35,000 workers struck. Some of them set on fire large parts of the infrastructure, and the government also ordered the National Guard to intervene. During February and March 2011, 180,000 construction workers were on strike. In the entire year of 2011, the number was 580,000 strikers. In all of 2012, 500,000 people participated in stoppages.

The rapid geographical expansion of the strikes without any central organisation can be explained, on the one hand, by the importance of migrant work in the construction sector: most workers are employed on a project basis; thus, construction workers travel across the country and acquire trans-regional contacts. On the other hand, communication with mobile phones and social networks has facilitated the activation of these contacts to a considerable extent. The problems, demands and patterns of protest of workers at different construction sites resembled one another: bad food that led to food poisoning, inadequate housing conditions, poor or non-existent transport facilities, low wages and spatial isolation due to work in sparsely populated areas and rigid holiday regulations. The patterns of protest, for example in Suape in August 2012 and in Belo Monte in November 2012, consisted in considerable damage to property, and in pelting stones at trade union officials and management. These patterns of protest have remained unmodified since the 1980s. They are about the conditions of work and the responses of the state, which consist in the quick intervention of the military or other special forces.<sup>25</sup> But there are also historical novelties: the number of strikes in the construction sector is much higher than in the 1980s, and the strikes taking place since 2011 were based on simultaneous activities in several regional states.

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<sup>25</sup> CAMPOS, Pedro Henrique Pedreira. “Os empreiteiros de obras públicas e as políticas da ditadura para os trabalhadores da construção civil”. *Em Pauta*, n. 33, 2014. [<https://www.e-publicacoes.uerj.br/ojs/index.php/revistaempauta/article/view/13025>] Accessed 19.01.2015.

More construction sites – like the biggest single construction site for a hydroelectric plant and dam construction in Brazil at Belo Monte with 35,000 workers (September 2014) – were affected by the strike wave in 2012. In Belo Monte, the striking workers formed alliances with the manifold social movements opposed to the construction of the dam. These movements have been mobilising since the 1980s and are composed of indigenous peoples, fishers and women, ecologists and other social groups affected by the construction.<sup>26</sup> In order to increase the pressure against this alliance, the federal government installed a permanent squad of 500 soldiers of the National Guard at the construction site in the summer of 2012. This was made possible by a special decree by President Rousseff. The squad had an official order to protect the construction site against actions of social movements opposed to the dam, but it was also used to suppress strikes.<sup>27</sup> Belo Monte became the third big focus of militant strikes at construction sites alongside Suape and Jirau.

In 2014, the construction site of the petrochemical complex COMPERJ in the state of Rio de Janeiro entered the scene – private security guards had shot at striking workers – and a new construction site in Pecém also became a conflict zone: the South Korean steel giant POSCO used strike breakers in response to a 35-day stoppage of workers demanding wage rises. As a result, scuffles with striking workers broke out, and the strikers burned two company cars and a vehicle of the military police.<sup>28</sup> The military police arrested 68 workers.<sup>29</sup>

The strikes at the construction sites were without doubt the most severe labour conflicts in Brazil in the past years – due to the large number of participating workers at the construction sites, the rank-and-file character of the strike movements and the militant forms of struggle. All in all, those years saw an increase in the total number of strikers compared with the years before 2010, but the biggest total number of strikers came from the public sector. The public sector strikes remained less visible than the strikes in construction – the exception being the national public sector strike in

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<sup>26</sup> Interviews with Workers 1 and 2 at the Consórcio de Construção de Belo Monte (CCBM), 11/09/2014; Antonia Melo, *Movimento Xingu Vivo para Sempre*, 10/09/2014; José Geraldo, *Movimento dos Atingidos por Barragens*, 15/09/2014.

<sup>27</sup> Interviews with Alexandre Sampaio, lawyer at Asociación Interamericana para la defensa del ambiente (AIDA), 10/09/2014; Thais Santi Cardoso da Silva, *Procuradora do Ministério Público Federal*, Altamira, 11/09/2014; Fernandes Fernandez, labour lawyer, Altamira, 11/09/2014; Aurelio Ganzer, *Secretaria da Presidência da República*, Altamira, 15/09/2014.

<sup>28</sup> Interview with Worker 18 at Companhia Siderurgica Pecém (CSP), 29/09/2014.

<sup>29</sup> For an extensive case study on the strikes in the Brazilian construction sector, see NOWAK, Jörg. “Massenstreiks im Bausektor Brasiliens zwischen 2011 und 2014”. Op. Cit.

August 2012. After the protest movement in the summer of 2013, bigger strikes occurred in the urban centres, in many cases opposed to the established trade unions: among them were the strike of the teachers in Rio de Janeiro and the protests of oil industry workers, which both took place in the autumn 2013, as well as the strike wave of bus drivers in Rio de Janeiro, Sao Paulo, Recife, Belém and Fortaleza during 2014. The strike of the street sweepers in Rio de Janeiro during the Carnival of 2014 received special attention and a wave of sympathy from the broader population. In 2015, recurrent strikes in automobile factories against dismissals, long strikes of school and university teachers and a strike at the state company Petrobras against casualisation and the privatisation of the company took place.

The strikes of the construction workers have been a quite consistent and sustainable movement over the course of several years. They are led by strata of the working class that were excluded from the social mobility experienced by other strata in the 2000s. The fact that most of the construction sites connected to the PAC programme were public projects in which the government agencies did not enforce legal provisions for secure working conditions nor take adequate care of social and technical infrastructure in settlements close to construction sites created outrage among the workers. Villages like Pecém that had been inhabited by a few thousand people until recently were suddenly faced with the doubling of the number of inhabitants without additional means of transport, medical assistance, financial services, etc. In light of this, the workers saw many of these conflicts, to some extent, as conflicts with the state.<sup>30</sup> In Pecém, it was obvious that state institutions did not intervene into the illegal employment of hundreds of Korean strikebreakers<sup>31</sup> but they did intervene immediately when the workers downed the tools.

As a result of the strikes in the construction sector, there were several rounds of wage hikes above inflation and improvements to the infrastructure, predominantly in the areas of transport, accommodation, holiday regulations and lodging. Concerning the forms of organisations of workers, it is significant that no major network of workers emerged from the strikes beyond the existing trade union federations, *Força Sindical* and CUT. The Trotskyite trade union federation *Conlutas* supported the strikes in a conspiratorial manner, but only at some of the construction sites.<sup>32</sup> The lack of self-organisation of workers in the form of visible organisations is

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<sup>30</sup> Interviews with Workers 1 and 2 at CCBM, 11/09/2014; Worker 18 at CSP, 29/09/2014.

<sup>31</sup> Interview with Francisco Gérson Marques de Lima, Procurador at the *Ministério Público de Trabalho*, Fortaleza, 10/10/2014.

<sup>32</sup> Interview with Zé Goutinho, *Sindicato dos Trabalhadores na Indústria da Construção Civil de Belém*, 03/10/2014.

connected to the overall marginalisation of construction workers (reflected in low levels of education, etc.) but also to the short-term perspectives of workers due to the migrant nature of construction work.

Nonetheless, it is a new and remarkable phenomenon that construction workers – who are seen as non-qualified workers by the public – were able to launch a sustained wave of strikes over a number of years without any formal frame of organisation. Thus, the construction workers became a reference for workers in other sectors. The tense relationship that the striking workers maintained with the PT as the main government party hints at the inherent contradictions of the political project pursued by the Lula and Dilma presidencies since 2003. The industrialisation of new parts of the country is supposed to generate more material well-being overall, but it is replicating the uneven forms of development dominant in the country with adverse working conditions and low wages for the construction workers who erect the industrial complexes.

#### *The street protests in the summer of 2013 – Fare hikes and police violence*

The PT-led government soon found itself in a sandwich position – between the protests from below and a middle class that increasingly revived its old class prejudice. This constellation of forces left its imprint on the street protests that began in June 2013. The left-wing movement in favour of free public transport led by anarchist and student activists had been attacked massively by police forces at a rather small demonstration in São Paulo. This led to outrage and solidarity from other social groups. A key role for the dissemination of these protests was played by the right-wing mainstream media that entertained a hostile stance towards the government. Thus, the significance of the street protests grew due to an informal alliance between left-wing activists and right-wing media. But the demands that dominated the protests had been the classical repertoire of the Brazilian left: better funding for public education and health services, and a cheaper and more integrated public transport infrastructure.<sup>33</sup> The street protests expanded rapidly all over Brazil. In some places, the PT and other left parties participated in their organisation; in others the protests were mainly organized by anarchist groups. After one week, the demands of the protests were subject to change and the issue of corruption took centre stage. In Rio de Janeiro and São Paulo, members of traditional left organisations were violently attacked during this second phase of the protests, both by right-

<sup>33</sup> GOHN, Maria da Glória. “A Sociedade Brasileira em Movimento: vozes das ruas e seus ecos políticos e sociais”. *Caderno CRH*. Vol. 27, n. 71, 2014, pp. 431, 433.

wing forces and by anarchists. Elisio Estanque emphasises that the participation of well-educated people from rich neighbourhoods was growing in São Paulo when the demonstrations got bigger<sup>34</sup>; it was also during this period that the attacks against left-wing protesters occurred. The social composition of the demonstrators in São Paulo mirrored those across the country. According to several surveys,<sup>35</sup> the participants in the demonstrations were disproportionately well-educated compared to the overall Brazilian population.

Notably, the anarchist activists perceived the PT and the other left-wing parties as their “main enemies”.<sup>36</sup> Nevertheless, all the existing political currents from left to right tried to benefit from the protest movement, even the government. President Rousseff and the PT attempted to embrace and suffocate the movement. Both the small, Trotskyite parties PSOL and PSTU and the right-wing opposition voiced their support. The anarchists tried in vain to maintain the upper hand in the movement. Traditional popular organisations like the landless workers’ movement (*Movimento dos Trabalhadores Rurais Sem Terra*, MST) and the homeless workers’ movement (*Movimento dos Trabalhadores Sem Teto*, MTST) represented the core organisers of demonstrations in many cities. Later in 2013, the protests were directed against the Confederations Cup, which preceded the football World Cup held in 2014. The World Cup was a symbol for the alliance of the left party PT with the old elite because the World Cup construction projects (which had also been part of PAC) were profit machines for the sizeable Brazilian construction companies that had emerged during the military dictatorship. The World Cup was also the reason why new roads were built and slums were cleared.

Brazil saw a broad debate about the existence of a new middle class due to the rising income of a sizeable part of the working class.<sup>37</sup> Estanque regards the protests in the summer of 2013 as an encounter of middle class and working class people who all tend to see themselves as part of the middle classes due to similar levels of consumption – despite the fact that the living

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<sup>34</sup> ESTANQUE, Elisio. “Rebeliões de classe média? Precariedade e movimentos sociais em Portugal e no Brasil (2011-2013)”. Op. Cit. p. 71.

<sup>35</sup> Ibid. GOHN, Maria da Glória. “A Sociedade Brasileira em Movimento: vozes das ruas e seus ecos políticos e sociais”. Op. Cit.

<sup>36</sup> Ibid., p. 434.

<sup>37</sup> SOUZA, Jessé de. *Os batalhadores brasileiros: nova classe média ou nova classe trabalhadora?* Belo Horizonte: Editora da UFMG, 2010; POCHMANN, Marcio. *Nova classe média? O trabalho na base da pirâmide social*. São Paulo: Boitempo, 2012; NERI, Marcelo. *A nova classe média: o lado brilhante da base da pirâmide*. São Paulo: Fundação Getulio Vargas/Editora Saraiva, 2012; BARTELT, Dawid Danilo (ed.) *A nova classe média no Brasil como conceito e projeto político*. Rio de Janeiro: Fundação Heinrich Böll, 2013.

conditions of working class people in terms of their continuous access to median-level incomes are more unstable due to short-term labour contracts.<sup>38</sup> He highlights that the enormous fragmentation of the working class, “fruit of the metabolism of global capitalism”<sup>39</sup>, was reflected in the fragmentation of the mass movement that had emerged: for Estanque<sup>40</sup> the various elements of this movement were only able to forge precarious, temporary, and partly non-existing alliances. During a teachers’ strike in Rio de Janeiro in September 2013, which was directed against a conservative governor, new modes of action such as black bloc tactics<sup>41</sup> were employed, for the first time, in a sectoral labour conflict. This contributed significantly to the visibility of the strike. Similar alliances emerged, for example, during the strike of street sweepers in Rio de Janeiro in February 2014 and during the metro drivers’ strike in June 2014.

The street protests articulated a lack of satisfaction with the government. It had achieved improvements for the poorest strata of society since 2003. However, it did not address the elite dominance of national politics and did not manage to trigger a more profound transformation of property and power relations. The alliance of the PT with big capital created crucial strategic constraints – and the problems in public transport were a symptom of more profound problems: the rise of medium wages led to an increase and partial collapse of individual car traffic because more people were able to afford passenger cars. In big cities like São Paulo, the poorer inhabitants are more dependent on public buses since their neighbourhoods are not connected to the underground or to suburban trains – which means they suffer most from an increase of individual traffic. A lack of investment and delays in the construction of public train systems led to long commutes in most major cities. The younger generation has grown up with the PT-led governments. It has pushed forward new demands that go beyond the eradication of absolute poverty. Faced with meagre economic growth and the questionable compromises of the Lula and Dilma governments, they have been driven by the dissatisfaction that a further improvement to the conditions of everyday life seems out of reach.

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<sup>38</sup> ESTANQUE, Elisio. “Rebeliões de classe média? Precariedade e movimentos sociais em Portugal e no Brasil (2011-2013)”. Op. Cit. p. 54.

<sup>39</sup> Ibid., p. 59; Translation J.N.

<sup>40</sup> Ibid., p. 59. See also SCHERER-WARREN, Ilse. “Manifestações de Rua no Brasil 2013: encontros e desencontros na política”. *Cadernos CRH*, vol. 27, no. 71, 2014, p. 427; GOHN, Maria da Glória. “A Sociedade Brasileira em Movimento: vozes das ruas e seus ecos políticos e sociais”. Op. Cit. p. 435.

<sup>41</sup> GOHN, Maria da Glória. “A Sociedade Brasileira em Movimento: vozes das ruas e seus ecos políticos e sociais”. Op. Cit. p. 433.



*The interaction between the strikes and the street protests*

In Brazil, the two forms of protest, street protests and mass strikes, were articulated more closely than in India. During the protests against the Confederations Cup in summer 2013, the World Cup became a symbol of both the adverse working conditions that led to many deaths of workers and of the “wrong” priorities of development projects pursued by the government. Labour issues were not openly discussed by the demonstrators, but the public welfare system was a central issue. While the social composition of the two protest movements differed to a large extent, and there were few immediate references to the other side, a common direction seemed to emerge between September 2013 and June 2014 when the strike movements and street protests came together in some of the major cities, most visibly in Rio de Janeiro and São Paulo. But in the months after Rousseff won the presidential elections in October 2014, it was mainly the right-wing opposition that benefitted from the momentum of the protests. It was able to launch a conservative protest movement against Rousseff that peaked in March and April 2015. While the “Fora Dilma” protests dominated the Brazilian mass media (which is quite selective in its coverage), it was the series of strikes in automobile factories, educational institutions, banks and the state company Petrobras that triggered a strike movement that was more stable than the conservative protests. The strikes escalated when 15,000 automobile workers of Volkswagen blocked the central highway in the industrial hub close to São Paulo in January 2015 (which led to their demands being met), and when striking teachers in the state of Paraná were attacked by police forces with teargas and water cannons in April 2015. In September and October 2015, various street protests were held against the austerity programme of the government, mainly led by the MST, the MTST, the CUT and by striking teachers. Thus, one could say that one current of the 2013 street protests joined the conservative movement while another current united with the strike movements and established an “anti-austerity” front. In contrast to India where the street protests led to the creation of a liberal left party, the mixed composition of the street protests in 2013 ended in a polarisation into two camps, one of which established links with the strike movements. The “progressive” wing achieved sustained mobilisation in Brazil in 2015, but was not able to dominate the national political scene in the same way that the 2013 movement had. Currently, there is a stalemate between the two camps. Importantly, the conservative wing is backed by a larger number of politicians and the powerful elite, which controls vast amounts of wealth,

has considerable political influence and owns most of the productive assets in the country.

**Conclusion: India and Brazil – Similar patterns of organisation, different political contexts**

In India and Brazil, the sequence and social composition of the protests show some resemblances: the street protests witnessed a strong participation of the middle classes. They were preceded by long-lasting strike movements of industrial workers. It can be assumed that the social movements emerging in the workplace during strikes resonated with the middle classes who voiced their dissent in street protests that are ambiguous politically. The recurring claim that precarious sections of the working classes organise in street protests<sup>42</sup> does not hold in the two cases examined: they were the driving forces of the mass strikes in India and Brazil.

Beyond these common features, there are also crucial differences: the workers in the automobile sector in India are far more politicised due to the influence of Maoist and Bolshevik organisations, and they established much more coordinated modes of action compared with the construction workers in Brazil. This is facilitated by a stronger tradition of independent trade unions in India – some of these independent unions are apolitical business unions or launched by management, but this model of organisation does also allow for leftist variants. In contrast, the political consciousness of the construction workers in Brazil is more ambiguous. This is the result of their high degree of marginalisation, their low level of education and the migrant nature of construction work. The supremacy of the right-wing trade union federation *Força Sindical* in the big construction works reinforces this tendency towards depoliticisation. The often remote and isolated locations of big construction units impede the interaction with other sections of the working class, and the exchange of ideas. Nevertheless, construction workers tend to engage in militant forms of action. Some of the urban strike movements were able to connect and interact with the more leftist sections of the street protests in Brazil since 2013. In contrast to that, the rather loose connections between strikes and anti-corruption protests in India did not extend to cooperation – in fact the opposite occurred, the striking contract workers in urban transport in Delhi were threatened and attacked by the government of the new anti-corruption party, AAP.

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<sup>42</sup> SAUL, John S. “Neue Formen des Widerstands. Proletariat, Prekariat und die afrikanischen Aussichten“. Op. Cit.

The street protests in India were far less politicised than in Brazil, since they had an exclusive focus on corruption as the presumed basic flaw of Indian society. In the Brazilian street protests in 2013, corruption was one among many topics – ticket prices in public transport, police violence and public services were other issues that linked the demands with the ideas of an extension of the welfare state. Both variants of street protests had in common that they did not last very long compared to the strikes – they emerged as quickly as they vanished. In Brazil, the street protests came back in 2015, but had split into two radically opposed currents. The strikes in the Brazilian construction sector, but also those among urban workers, expanded throughout the country. The same can be said about the street protests. In India, strikes and street protests were focussed more strongly on the capital region around New Delhi.

Regarding the class-specific forms of articulation of the strikes and protests, the mass strikes are characterised by a war of position with episodic outbursts of violence. The workers make small advances, but they expect a lot more. With waves of dismissals after strikes and the intervention of state security forces against striking workers, a deadlock emerged. It would have only been possible to bypass this deadlock if a unified national strike movement had formed. However, such a movement is hard to organise. There are splits between union federations and a lack of a combative attitude among some of the unions. What is more, two cleavages emerged in the Brazilian and the Indian case: a cleavage between workers and their traditional unions, and another one between workers and the traditional left parties like Congress and the PT. In both cases, the root causes lie in the alliances and compromises of political parties and unions with capital. In India, the unions and Congress made compromises with big capital already in the 1960s and 1970s. These compromises have become more neoliberal and less social democratic since the 1990s. In contrast, the compromise of the PT with big capital is a more recent phenomenon, which has emerged since 2003. All in all, the conflicts between workers and trade unions only rarely affected the biggest trade union federation CUT, but rather the conservative union federation *Força Sindical* or other smaller trade unions.

The street protests of the middle classes exhibit a different profile. One could say that while the working class got organised, the middle classes were mobilised for short periods: the latter called for quick political changes and were prepared to delegate responsibility for reform projects to politicians, which explains the rapid decline of the protests and the fact that demands were less focused and uniform. In the case of the Indian anti-corruption movement, the demands were focused on a specific law project,

the Jan Lokpal Bill. After a watered-down version had been passed in parliament, the movement lacked a clear-cut objective beyond demanding amendments.

The street protests in both countries revealed that the participants demanded a higher quality of life and a fair distribution of wealth – not a radical transformation of society. For the Brazilian case, Gohn captures this sentiment in an apt phrase: “They do not attack the state, they demand a more efficient state”.<sup>43</sup> It is one aspect of this political abstinence that a central feature of a new social movement as defined by Alan Touraine, the *common identity*, was completely absent in the case of the Brazilian street protests.<sup>44</sup>

What are the implications of this new and messy situation for a Marxist theory of class? One can of course argue that in Marx’s times the class composition of society was rather messy and not clear-cut, but this does not relieve one of the task to redefine and re-evaluate central concepts. Estanque uses the concept of the “middle classes”, but questions it at the same time, since he states that today it does not refer to the small property holders that Karl Marx and Friedrich Engels referred to.<sup>45</sup> In his view, the concept of middle classes should refer to former workers that have climbed up the ladder by successfully leading class struggles for a welfare state, enabling them to reach a level of consumption similar to that of the old middle classes. However, these new middle classes do not share the elitist attitude of the old ones and are increasingly facing an insecure status due to high job rotation and the casualisation of labour relations.<sup>46</sup> According to Estanque, these new middle classes constitute something similar to a labour aristocracy – and due to their past and their lack of income security, they have a disposition to acts of rebellion. At the same time, they are not able to assume the position of a vanguard or a voice of the subaltern groups as a whole.<sup>47</sup> Nonetheless, it has to be underlined that these new middle classes exhibit some commonalities with the old ones that were discussed by Marx and Engels: first of all, there is a lack of political orientation. Estanque

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<sup>43</sup> GOHN, Maria da Glória. “A Sociedade Brasileira em Movimento: vozes das ruas e seus ecos políticos e sociais”. Op. Cit. p.436. Translation J.N.

<sup>44</sup> TOURAINE, Alain. “An Introduction to the Study of Social Movements”. *Social Research*. Vol. 52, n.4, 1985, pp. 749-788; ESTANQUE, Elisio. “Rebeliões de classe média? Precariedade e movimentos sociais em Portugal e no Brasil (2011-2013)”. Op. Cit. p.55.

<sup>45</sup> ESTANQUE, Elisio. “Rebeliões de classe média? Precariedade e movimentos sociais em Portugal e no Brasil (2011-2013)”. Op. Cit. pp. 60, 76.

<sup>46</sup> *Ibid.*, p.58.

<sup>47</sup> *Ibid.*, p.76. For the case of India, see the similar observations by SITAPATI, Vinay. “What Anna Hazare’s Movement and India’s New Middle Classes Say about Each Other”. Op. Cit.

locates the root causes for this in the fragmentation and precarisation of labour relations and a specific pattern of movement formation where movements rise rapidly, seem to be very determined and then disintegrate with the same speed.<sup>48</sup> Another commonality between the old and new middle classes is the relevance they attach to ethics and values.<sup>49</sup> And third, there is the tendency to oscillate between left-wing and right-wing positions as is perfectly illustrated by the Brazilian case.<sup>50</sup>

In any case, the differences between the social movements, strikes and street protests are noteworthy. A rigorous separation of “proletariat” and “precariat” as proposed by some social scientists does not hold if applied to the recent protests in India and Brazil.<sup>51</sup> After all, the bulk of the working classes is exposed to informal and unsecure conditions of work even if they work in formal jobs. Formal employment is embedded in a larger context of informality, resulting in discontinuities in terms of the regular and complete payment of wages, a lack of security, a high exposure to health risks at work and a lack of job security. While a strict separation of “proletariat” and “precariat” does not conform to the social reality in much of the Global South, the same can be said of the claim that there is a unified “precariat”. We cannot deduct from the cases of Brazil and India that certain parts of the “precariat” do not engage in strikes. The challenge lies in doing justice to the differentiated nature of classes in contemporary capitalism without losing sight of the big picture. Obviously there are many street protests triggered by the “precariat” in South Africa, but it is not legitimate to conclude from that that other groups of precarious workers in South Africa and in other countries refrain from going on strike, for example, the contract workers in mining.

At the level of social action, it makes sense to define a second bloc of the middle classes, apart from the different layers of the working class. This second bloc is composed of public employees, urban employees with

<sup>48</sup> ESTANQUE, Elisio. “Rebeliões de classe média? Precariedade e movimentos sociais em Portugal e no Brasil (2011-2013)”. Op. Cit. p. 58. See also SITAPATI, Vinay. “What Anna Hazare’s Movement and India’s New Middle Classes Say about Each Other”. Op. Cit. p.44.

<sup>49</sup> Ibid., p. 43; ESTANQUE, Elisio. “Rebeliões de classe média? Precariedade e movimentos sociais em Portugal e no Brasil (2011-2013)”. Op. Cit. p. 75; GOHN, Maria da Glória. “A Sociedade Brasileira em Movimento: vozes das ruas e seus ecos políticos e sociais”. Op. Cit. p.4 33.

<sup>50</sup> ENGELS, Friedrich.1852. “Revolution and Counter-Revolution in Germany”. *Marx Engels Collected Works*, Vol. 11, p.10.

<sup>51</sup> SAUL, John S. “Neue Formen des Widerstands. Proletariat, Prekariat und die afrikanischen Aussichten“. Op. Cit.; STANDING, Guy. “Understanding the precariat through labour and work”. *Development and Change*. Vol. 45, n. 5, September 2014, pp. 963-980.

degrees, and technical and IT engineers. For this bloc, it makes perfect sense that a part of these middle classes are objectively a part of the working class.<sup>52</sup> But the issue of social status does play a major role at the political level for this group. It is much more fragile on the level of social action than the working class and its political identity is much more diversified and blurry, and thus often almost impossible to grasp. Sitapati detects four ideological currents as the defining features of the anti-corruption movement in India<sup>53</sup> while Estanque and Grohn underline the extremely ambiguous nature of the street protests in Brazil. Thus, there is not only a lack of a proper encompassing progressive narrative that would bind working and middle classes together, but also income differences and ideologies of social status that keep both classes apart from each other. Although income differences between a construction worker in Brazil and an office clerk might be small, the clerk will ascribe a higher status to her work and position in society. At the same time, both workers share the insecurity of overall conditions of work and life. A political force that can bind both classes, or at least segments of both classes together, would have to address this overall feature of insecurity.

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<sup>52</sup> ESTANQUE, Elisio. “Rebeliões de classe média? Precariedade e movimentos sociais em Portugal e no Brasil (2011-2013)”. Op. Cit.

<sup>53</sup> SITAPATI, Vinay. “What Anna Hazare’s Movement and India’s New Middle Classes Say about Each Other”. Op. Cit.

# **Labour conflict in Argentina and Brazil: challenging an alliance?**

*Luis Campos and Bruno Dobrusin*

## **I**ntroduction

During the last decade, Latin America, especially the countries of the Southern Cone, has witnessed a change in socioeconomic policies, as a consequence of elections that brought left and centre-left political forces into office. The changes in government politics were a result of the profound crisis that arose after more than two decades of neoliberal policies that left the majority of the population in a position of marginalization and poverty. This essay analyses the government policies of Argentina and Brazil during the last decade, with a focus on recent increases in labour conflicts. After a period of economic bonanza and political conditions oriented towards social dialogue, the stage has moved towards one of increasing tensions, as measured in the numbers of strikes that increased in both countries from 2011 onwards. This paper does not look at these governments in all their aspects and periods of government, but focuses on the transition that began in 2011 as a consequence of the international economic crisis and also due to internal disputes regarding macroeconomic and socioeconomic policies, many of which remain unresolved.

In the last decade, both Argentina and Brazil witnessed significant socioeconomic improvements, based on the revitalization of internal markets as well as on improvements of the terms of trade – a positive trend throughout Latin America during the 2000s.<sup>1</sup> The redistributive bonanza in the terms of trade was supported by an inward redistributive policy, based

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<sup>1</sup> CEPAL. *La hora de la igualdad: brechas por cerrar, caminos por abrir*. Santiago de Chile: CEPAL, 2010.

on welfare policies and a strengthening of labour markets by increasing real wages and enhancing labour market institutions.

This model of economic development has been defined in different ways,<sup>2</sup> mainly depending on how the overall performance of the governments is evaluated, especially in terms of challenging the neoliberal agenda. There are several common features among the governments in Brazil and Argentina elected in the last decade, a central one being the return of the state as a central player in organizing the main economic and social policies.<sup>3</sup> Even though the reinforcement of the state has challenged a fundamental neoliberal paradigm – the need for state to retreat from the economy – some of the main developmental characteristics of the economy have remained untouched: the export of primary commodities as the main source of income and the increasing dominance of financial capital in the overall economy.<sup>4</sup> This combination of redistributive policies, such as *Bolsa Família* in Brazil and the *Asignación Universal por Hijo* in Argentina, and the model of economic growth – characterized by its dependence on the export of primary commodities to the world market – has been coined the “commodities consensus”.<sup>5</sup> The consensus requires measures of redistribution in order to overcome the contradictions emerging with extractive industries, especially in terms of their environmental impact, their territorial dislocation and the control of the process gained by transnational corporations.<sup>6</sup>

In line with Armando Boito’s analysis, this paper categorizes the governments of Argentina and Brazil as neo-developmental. A neo-developmental model reinforces wealth redistribution targeted towards consumption through increases in minimum wages, the implementation of vast social programs and the expansion of credit. At the same time, it reinforces the development of the large bourgeoisie, both industrial and

<sup>2</sup>For further readings regarding the debate on left-wing Latin American governments and different definitions see SADER, Emir. *Posneoliberalismo en América Latina*. Buenos Aires: CLACSO-CTA, 2008; LEVITSKY, Steven and ROBERTS, Kenneth. *The resurgence of the Latin American left*. Baltimore: John Hopkins University Press, 2011; PETRAS, James and VELTMEYER, Henry. *The New Extractivism. A Post-Neoliberal Development Model or Imperialism of the 21<sup>st</sup> Century?* London: Zed Books. 2014.

<sup>3</sup>THWAITES REY, Mabel (ed). *El Estado en América Latina: continuidades y rupturas*. Buenos Aires: CLACSO- Editorial Arcis. 2012.

<sup>4</sup>KATZ, Claudio. “Manifestaciones de la Crisis en América Latina y las paradojas del Neodesarrollismo argentino”. *Caderno CRH*. Vol.26, n. 67, 2013, pp. 49-64.

<sup>5</sup>A term originally coined by the Argentine political magazine *Revista Crisis*, later expanded by SVAMPA, Maristella. “Consenso de los Commodities y lenguajes de valoración en América Latina”. *Nueva Sociedad*. n. 244, 2013, pp. 30-46.

<sup>6</sup>Ibid.



extractivist, with the central aim of generating economic growth.<sup>7</sup> At the center of this process is the state, creating an alliance between a local – internal – bourgeoisie, organized labour and even the subaltern classes. The “neo” element is based on a reconsideration of the developmentalist strategies of the 1970s, in which the strengthening of internal markets and the creation of “local industries” played an important role in producing high levels of economic growth. The neo-developmental model, however, produces lower economic growth than the classic models, giving less relevance to the internal market and local industry, accepting the international division of labour and redistributing income at a slower pace. In the neo-developmental model, growth strategies are dominated by a fraction of the bourgeoisie that is not necessarily “nationalist”, rather one that is closely tied to the multinational corporations.<sup>8</sup> The neo-developmental strategy is in fact based on the “commodities consensus” outlined by Svampa, since a central element in economic policy is the capacity to export primary commodities to global markets.

This model of neo-developmentalism, including the class alliances that it involved, relied heavily on the international boom of commodities and on the capacity to generate economic growth. From 2011 onwards, both these pillars – high commodity prices at the world level and national economic growth – began to decline, leading to major conflicts in the class compromises that the model entailed. The lower economic growth, adding to political fatigue – both countries were under administrations with nearly a decade in office – contributed to changing the pattern of labour-state relations from one of overall cooperation towards one of increasing conflicts both locally and nationally. This essay focuses precisely on these growing conflicts and analyzes them as a consequence of the limitations of the development strategy previously outlined.

The first section of this paper presents a brief synthesis of the periods governed by the *Partido dos Trabalhadores* (Workers’ Party, PT) in Brazil from 2003 onwards, and the *Frente para la Victoria* (Victory Front) in Argentina starting in 2003. In the first section, we include economic and labour market information that allows us to establish government-labour relations in the period. The second section deals with the main aspects of labour conflicts in both countries during the last decade, highlighting the

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<sup>7</sup> BOITO JR., Armando. *As bases políticas do neodesenvolvimentismo*. Paper presented at the 2012 Forum Econômico da FGV/São Paulo. 2012 Available via [<http://eesp.fgv.br/sites/eesp.fgv.br/files/file/Painel%203%20-%20Novo%20Desenv%20BR%20-%20Boito%20-%20Bases%20Pol%20Neodesenv%20-%20PAPER.pdf>]

<sup>8</sup> Ibid., p. 6.

last three years in particular. Finally, in the conclusion, the paper provides a comparative analytical look at both processes and the challenges ahead for labour organizations.

## 2. The centre-left governments in the Southern Cone

### 2.1. *The Kirchner era*

In order to understand the socioeconomic conditions experienced at the moment in Argentina, it is necessary to examine the breakdown of the convertibility regime – the Argentine peso pegged to the US dollar – which took place at the end of 2001 and produced a profound economic crisis. At the time, the devaluation of the local currency, joined by the decreasing cost of labour and the high number of idle industries, allowed for the implementation of economic policies that put the country on the path to growth after a four-year recession, reviving internal markets. This was coupled with a booming commodity export (led by soybeans), which has continued – in terms of trade – to this day.

After the high point of the crisis in December 2001, the local currency was devalued by more than 60 per cent, the medium real wage fell 24 per cent in 2002 compared with the previous year (and 34 per cent compared with 1994),<sup>9</sup> and unemployment and underemployment soared to over 20 per cent. At the same time, the utilization of installed capacity in the industrial sector in 2002 was below 60 per cent. This availability of unused labour and industrial capacity at a substantially lower cost than before the crisis allowed Argentina's economy to recover in late 2002 with the help of a new cycle of rising international prices of primary products. This improved the terms of trade almost 20 per cent between 2001 and 2004.

As a consequence of this process, Argentina witnessed an annual economic growth rate of 9 per cent between 2003 and 2007, becoming the backbone of the political consolidation of Nestor Kirchner's administration. The economic recovery went along with significant changes in the labour market, which was reorganized after the critical years of the socioeconomic crisis. During these four years, unemployment fell from 20 per cent to 8 per cent, real salaries grew by 21 per cent and informality decreased from 49 to 39 per cent. On top of this, these years also witnessed the strengthening of historic tools for labour market regulation, such as collective bargaining and the minimum wage council. The minimum wage increased by 82 per cent in

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<sup>9</sup> GRAÑA, Juan and KENNEDY, Damián. "Salario real, costo laboral y productividad argentina, 1947-2006. Análisis de la información y metodología de estimación". *Documento de Trabajo n° 12*. CEPED – Facultad de Ciencias Económicas. 2008.

real terms during that four-year period, having remained flat during the 1990s, and real average wages jumped more than 20 per cent in the same period.<sup>10</sup>

From 2007 onwards, the Argentine economy began to face major obstacles that continue to this day and have been a main source of conflict. The growth levels of the post-convertibility decade were drastically reduced in 2008-2009, increased again in 2010-2011 and diminished once more in 2012-2014. In this sense, the last available data indicates that by 2014 the GDP was 4.2 per cent higher than in 2011, while the GDP in the manufacturing sector had decreased by 2.7 per cent during the same period.

It is worth noting that the obstacles which the Argentine economy is facing today emerge in a context in which the terms of trade are at a historic high. In fact, the relationship between export and import products was 63.5 per cent higher in 2011-2014 than the average registered for the 1990s.

The noteworthy drop in economic growth during the last two years was accompanied by an increasing inflation rate, which has continued to rise since 2009, reaching its highest annual rate in 2014 at 36.5 per cent. The persistent increases in inflation impeded a major recovery of salaries, which only in 2011 reached the pre-economic crisis levels, even though real economic growth had been much higher during that time. As presented later on in this paper, the increases in inflation levels had an immediate impact on labour conflicts, which were increasingly directed towards obtaining nominal increases that could maintain workers' purchasing power.

These major difficulties expressed above also had an impact on the labour market. In effect, the unemployment rate in the second semester of 2014 was around 7.5 per cent, one of the highest values since 2010. At the same time, the rate of economic activity and employment also witnessed a pronounced drop, reaching the lowest levels of the last decade.<sup>11</sup>

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<sup>10</sup> For a detailed analysis of labour markets during the last decade and its relation to the neoliberal period, see CAMPOS, Luis; GONZÁLEZ, Mariana and SACAVANI, Marcela. "El mercado de trabajo en los distintos patrones de crecimiento". *Realidad Económica*. Issue. 253, 2010, Buenos Aires.

<sup>11</sup> The rate of employment in the second trimester of 2014 was 41.4 per cent, the lowest since 2005. At the same time, the economic activity rate was 44.8 per cent, the lowest since the last methodological changes in 2003.

**Chart 1: Selected macroeconomic variables in Argentina 2005 – 2013**

	GDP growth rate	Manufacturing	Inflation	Real wage (2001 = 100)	Terms of trade (2004 = 100)
2005	9.23%	9.29%	9.6%	89.2	97.0
2006	8.38%	9.77%	10.3%	95.4	101.3
2007	7.97%	8.08%	18.3%	97.3	107.4
2008	3.07%	3.22%	27.1%	93.7	120.7
2009	0,05%	(-1.56%)	14.6%	97.7	121.5
2010	9.45%	11.39%	23.1%	97.2	125.8
2011	8.39%	11.44%	23.4%	100.6	139.3
2012	0.80%	(-1.59%)	23.9%	103.0	144.7
2013	2.89%	0.26%	25.4%	102.7	135.1
2014	0.46%	(-1.34%)	36.5%	98.8	131.6

Source: Authors' own calculation using data from National Institute of Statistics and Census (INDEC). From 2007 to 2014, the inflation rate is provided by the provincial institutes of statistics due to conflicts with the national data.

In short, the existence of increasing tensions in the labour market, combined with persistently high inflation, constitute the backbone over which labour conflicts have been developing in recent years, which will be analyzed in the next section.

## 2.2 Brazil, from Lula to Dilma

The government of Lula da Silva represented a significant change in Brazil's socioeconomic conditions, in particular in the area of labour rights.<sup>12</sup> Firmly supported by the trade union movement and the largest workers' confederation in the country, the *Central Única dos Trabalhadores* (CUT), Lula arrived in office in 2003 – elected in October 2002 – with a

<sup>12</sup> KREIN, José; DOS SANTOS, Anselmo and TARDELLI, Bartira. “Trabalho No Governo Lula: Avanços E Contradições”. *Revista Abet*. Vol. 10, n. 2, 2011, pp. 30-55.

personal history of leadership as a metal workers' union leader and therefore a promising candidate for the labour movement in Brazil. The Lula administrations can actually be divided in two phases, the first one (2003-2005) being more fiscally conservative; and the second one (2005-2010) characterised by major changes in socioeconomic policy and labour market regulation.<sup>13</sup> Towards the end of the first four-year term and more pronounced in the second, the government shifted away from orthodox macroeconomic policies towards more heterodox forms, which included the implementation of vast social programs and the strengthening of labour market institutions (including trade union regulation). Towards the end of the first term in office and following the corruption scandals of the *mensalão*,<sup>14</sup> there was a considerable rupture between the policies of the former Cardoso administration and Lula's novel heterodox approach. This change in policy was significant in creating a mass of followers and consolidating the popular vote for the PT, especially in the poorest regions of the North-East.<sup>15</sup>

Among the most relevant policies produced under Lula were those focused on macroeconomic issues as well as a specific set of policies directed towards the strengthening of the institutional arrangements of trade unions, especially as these were recognized as fundamental actors in the development process.<sup>16</sup> The improvements in macroeconomic terms were tightly related to the revalorization of the minimum wage, the constant drop in unemployment levels, the reinforcement of collective bargaining, the expansion of direct cash transfer programs (mainly the Family Fund, *Bolsa Família*) and the growth in formal employment.<sup>17</sup> These policies are essential in explaining two elements that became a characteristic of the time: the increased confidence and strengthening of trade unions<sup>18</sup> and a common alliance between major union confederations in support of the government,

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<sup>13</sup> SAAD-FILHO, Alfredo. "Mass Protests under 'Left Neoliberalism': Brazil, June-July 2013". *Critical Sociology*. Vol. 39, n. 5, 2013, pp. 657-669.

<sup>14</sup> A scheme devised to buy votes in parliament by the *Partido dos Trabalhadores* to get support from allied parties for government policies.

<sup>15</sup> Andre Singer traces to this move the origins of "lulism" as a political force beyond PT. See SINGER, Andre. *Os Sentidos do Lulismo. Reforma gradual e pacto conservador*. São Paulo: Companhia das Letras, 2012.

<sup>16</sup> KREIN, José; DOS SANTOS, Anselmo and TARDELLI, Bartira. "Trabalho No Governo Lula: Avanços e Contradições". Op. Cit.

<sup>17</sup> BALTAR et al. "Moving towards decent work. Labour in the Lula government: reflections on recent Brazilian experience". *GLU Working Paper*, n. 9, 2010.

<sup>18</sup> See GALVÃO, Andréia; BOITO, Armando and MARCELINO, Paula. "Brasil: O movimento sindical e popular na década de dois mil". In: MODONESI, Massimo and REBÓN, Julian (eds.) *Una década en movimiento. Luchas populares en América Latina en el amanecer del siglo XXI*. Buenos Aires: CLACSO, 2010, pp. 153-182.

which included participation in the Council for Economic and Social Development.<sup>19</sup>

These policies contributed to significant improvements in the overall socioeconomic situation of the country. However, there was a specific emphasis placed on the role of the minimum wage that was fundamental in achieving these improvements, starting with pressure exerted by the trade union movement. In a concerted effort of the major labour confederations in 2004, the government promoted a policy of “valorization of the minimum wage”, in which the level of the minimum wage was adjusted according to a combination of inflation levels and GDP growth. This equation increased the minimum wage beyond the average wages, from 260 Real in 2004 to 724 in 2014, implying an increase in real terms of 67.5 per cent. However, when looking at the curve, the largest increase occurred between 2004 and 2010, with a brief stagnation in 2010-2011 and then a boost from 2012 onwards.<sup>20</sup>

Increasing the minimum wage consistently has pushed social security benefits up since a constitutional arrangement sets the basis for these in national minimum wage levels. This was supplemented by an increase in formal employment in 2004-2011, which grew by 38 per cent, leading to a sharp decrease in informality.<sup>21</sup> Similarly, unemployment levels fell from 12.4 per cent in 2003 to 6.7 per cent in 2010.<sup>22</sup> Average wages during the same period increased by 29.3 per cent in real terms,<sup>23</sup> and were joined by an intense pace of economic growth, averaging 3.5 per cent in 2003-2006, and 4.5 per cent in 2007-2010.<sup>24</sup>

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<sup>19</sup> Created under Lula, the *Conselho para o Desenvolvimento Económico e Social* (CDES) was a consultative platform between civil society and the executive branch, integrated by the major confederations in the country (CUT, *Força Sindical*, UGT, CTB, NCST). Outside of this council and in firm opposition to the PT governments remained two splits from CUT, the CSP-CONLUTAS and *Intersindical*. These alliances begin to shift towards the end of Dilma’s first term, with *Força Sindical* taking a more confrontational stance against the government.

<sup>20</sup> DIEESE. “A política de valorização do Salário Mínimo: persistir para melhorar”. *Nota Técnica*. n. 136. 2014.

<sup>21</sup> KREIN, José; DOS SANTOS, Anselmo and MORETTO, Amilton. “Trabalho no Brasil: evolução recente e desafios”. *Revista Paranaense de Desenvolvimento*. Vol. 34, n.124, 2013, pp. 27-53.

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

<sup>24</sup> KREIN, José and DOS SANTOS, Anselmo. “La formalización del trabajo en Brasil. El crecimiento económico y los efectos de las políticas laborales”. *Nueva Sociedad*. n. 239, 2012, pp. 90-101.

**Chart 2: GDP, unemployment and minimum wage in Brazil 2004-2011 and 2012-2013**

	2004-2011	2012-2013
GDP growth rate (average)	3.9	1.7
Unemployment rate (average)	8.1	5.5
Minimum wage (annual rate)	5.4	5.1

Source: Author's own calculation using data from ECLAC, IBGE and DIEESE.

By the end of Lula's presidency in 2010, Brazil had witnessed overall economic growth during both terms (2003-2007 and 2007-2011), a revitalization of state regulation of labour relations and an improvement in socioeconomic conditions for the majority of workers, resulting in lower poverty levels, (partial) wealth redistribution and increases in wages and formal employment. When Dilma Rousseff of the PT was elected president, the relationship with the trade union movement became more strained and macroeconomic challenges began to surface. The multi-class compromise that had existed during the two previous PT mandates began to crumble in view of changing economic conditions. This in turn led to changes in the dynamic of relationships between the national government and the trade unions and also within the trade unions themselves, including a higher number of labour conflicts both locally and nationally, bringing unresolved issues to the forefront – issues that had been “side-tracked” to a degree under Lula through overall economic improvement. Some of these issues included so-called “second generation demands” like better public services – a crucial demand during the June 2013 rebellion – and others had to do with the overall management of macroeconomic policy, in particular demands that targeted the economic and political power of financial capital and its role in determining the overall policy through an indirect control of Brazil's Central Bank.<sup>25</sup> The increasing conflict between the government

<sup>25</sup> An interesting debate around the challenges for Dilma, centered on macroeconomic issues, is presented by MORAIS, Lecio and SAAD-FILHO, Alfredo. “Neo-Developmentalism and the challenges of Economic Policy-Making under Dilma Rousseff”. *Critical Sociology*. Vol. 38, n. 6, 2012, pp. 789-798. One of the relevant arguments is that the growth created during the previous administrations was fragile, and in order to consolidate that path there needed to be a rupture with neoliberal policies that were still

and the labour movement at different levels is the central focus of the following section.

### 3. Recent labour conflicts

#### 3.1 *Labour conflicts in Argentina*

The reappearance of traditional labour conflicts and their relation with political disputes has been one of the most important changes in the system of labour relations during the last decade in Argentina. After the 2001 crisis, in a context of deep economic and political changes, industrial action, particularly collective bargaining and labour conflicts, became the norm for workers and unions once again.<sup>26</sup>

However, the pattern of labour conflicts did not evolve in a linear fashion during the last decade. First, the trade unions faced an accumulation process in which their own strategies matched the objectives of the national government. The latter needed to build up political legitimacy, not only because of the small amount of votes president Néstor Kirchner had obtained in the 2003 presidential election, but also because of the need to strengthen the state apparatus in itself and increase its acceptance among Argentine society after the 2001 crisis.

In order to restore state legitimacy, Néstor Kirchner's presidency implemented a broad set of measures. One central dimension of that strategy was to intervene in the labour market, whose figures, particularly wages and employment, were at an historic low by 2002.<sup>27</sup> Indeed, employment and real wage recovery became a shared objective for both the national government and the trade unions, since both were based on an increase in the number of workers and the level of real wages. Plus, this strategy was

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present. The resolution of this dilemma during Dilma's tenure consisted in maintaining those structural constraints instead of pushing the neo-developmental agenda further.

<sup>26</sup> While beyond the scope of this article, it is possible to identify some substantial changes in union activity compared to the 1990s, when collective bargaining lost weight as a tool for regulating labour relations and social conflict was related to claims for jobs and based on territory (instead of industry based). It should certainly not be concluded that the working class had no role in such conflicts. Rather there was a change in the main content of the demands (from jobs, rejection of state policies, access to public services, and working conditions in the public sector, to wage increases and working conditions in the private sector) and methodology of action (from social conflicts with wider alliances between trade unions and other social organizations, to traditional industrial actions).

<sup>27</sup> This process was coupled by the implementation of measures that had been part of social organizations' agenda against neoliberal policies during the 1990s. Among them may be mentioned the changes in the Supreme Court of Justice of the Nation, supporting trials against those responsible for human rights violations during the military dictatorship, and a change in international politics that strengthened links with governments of countries in the region.



tacitly accepted by fractions of capital which due to their size and productivity levels could only operate locally, as it was a necessary condition for resuming the path of economic growth after the recession that had lasted from 1998 to 2002.

This confluence of interests could only be sustained in the short term. The resurgence of inflation in late 2006 began to demonstrate these limits, which were reflected in new challenges for unions that had undeniable impacts on collective bargaining and union unrest. This is the starting point for this analysis.

According to the total number of conflicts surveyed by the Ministry of Labour, it is possible to identify a period of a gradual increase of labour conflicts between 2006 and 2011, while from 2012 that increase showed a significant jump.<sup>28</sup> Indeed, from 2006 to 2011, labour conflicts increased by 22.4 per cent (from 785 to 961 conflicts). This increase was repeated in just one year: in 2012, it jumped by about 26.6 per cent to reach a total of 1,217 conflicts. This number remained steady in 2013, and jumped again in 2014.<sup>29</sup>

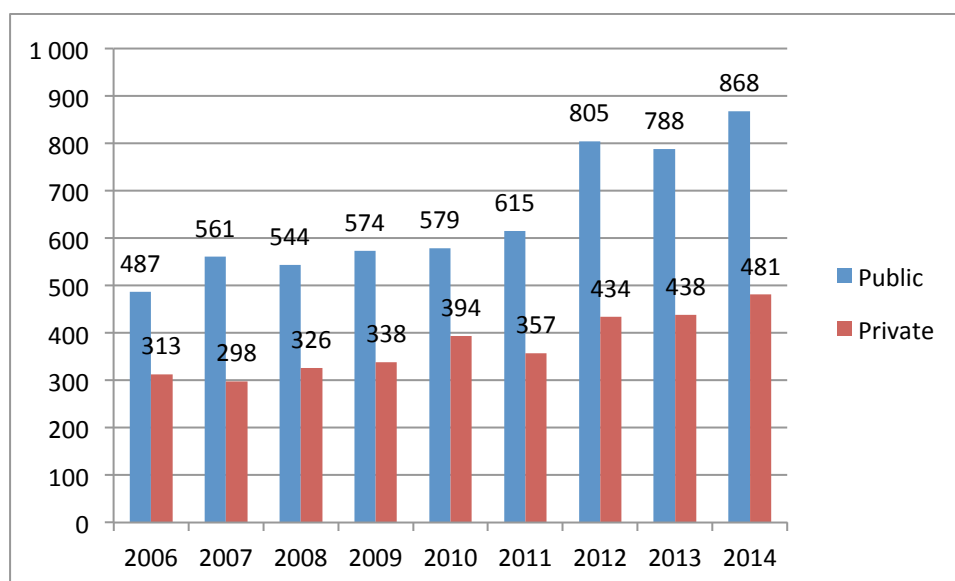
This increase in labour disputes occurred in both the public and private sectors. At the state level, the upsurge of labour conflict amounted to an increase of 26.3 per cent between 2006 and 2011 and of 41.1 per cent between 2011 and 2014.<sup>30</sup> Meanwhile, in the private sector the increase was 14.1 per cent and 34.7 per cent respectively.

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<sup>28</sup> The series on labour unrest developed by the Ministry of Labour can be found at [[www.trabajo.gov.ar](http://www.trabajo.gov.ar)]. For a description of the methodology and scope see PALOMINO, Héctor. "Un nuevo indicador del Ministerio de Trabajo, Empleo y Seguridad Social. Los conflictos laborales en la Argentina 2006-2007". *Serie Estudios*. n. 7, 2007. Available at [[www.trabajo.gov.ar](http://www.trabajo.gov.ar)]

<sup>29</sup> Notably, according to the Ministry of Labour, the increase in the total number of strikes in the private sector did not correspond with an increase in the number of strikers and of working days lost due to strikes. In this regard, less intensive strikes became more widespread. They were linked to increasing conflicts at the enterprise level, which jumped from 60 per cent of the conflicts in 2006 to 70 per cent in 2013. In contrast, the numbers for 2014 of strikers and working days lost in the public sector were the highest since 2006.

<sup>30</sup> For a detailed analysis of labour conflicts during 2006 and 2010, see BARRERRA INSUA, Federico. "Conflictos salariales y organización sindical en la Argentina post-convertibilidad". *Programa de Investigación sobre el Movimiento de la Sociedad Argentina, Documentos y Comunicaciones 2011-12*. 2012. Available at [[www.pimsa.secyt.gov.ar](http://www.pimsa.secyt.gov.ar)]

**Graph 1: Labour conflicts in Argentina 2006 – 2014**

Source: Authors' own calculation with data from the Ministry of Labour.

The information gathered by the Ministry of Labour is focused on strikes, which excludes other forms of labour unrest. In this regard, the reports from the Social Rights Observatory<sup>31</sup> of the *Central de Trabajadores de la Argentina* (Argentine Workers' Confederation) include these other forms of labour unrest, and in principle, allow for similar conclusions. In this perspective, we observe that the number of conflicts in the private sector increased significantly in 2011 (a 25 per cent increase compared to the 2007-2010 annual average).

As for union demands, it is important to point out some milestones that, over the recent years, point to qualitative changes. Indeed, labour conflicts in the early years of the last decade were fundamentally linked to economic demands, mainly wage claims, channelled by the unions at the industrial level.<sup>32</sup>

The rise in inflation rates, which has consistently been above 25 per cent per year since 2007 (except 2009), boosted labour conflicts and forced trade unions to claim nominal increases around that rate. In turn, this had an impact on secondary income redistribution policies, particularly on family allowances and the income tax paid by higher-income earners (approximately 10 per cent of all workers). Thus, claims to balance inflation

<sup>31</sup> For detailed analysis, visit the Observatory's website at [[www.obderechosocial.org.ar](http://www.obderechosocial.org.ar)]

<sup>32</sup> OBSERVATORIO DEL DERECHO SOCIAL DE LA CTA. "Relaciones laborales 2013. Caída del salario real y crecimiento del conflicto en el sector público". Annual Report 2013. 2014. Available at [[www.obderechosocial.org.ar](http://www.obderechosocial.org.ar)]

and demands to modify the mechanisms for a redistribution of resources gained presence in the demands put forward by trade unions.

Moreover, the labour market in Argentina has been exposed to growing constraints since late 2006, not only due to rising inflation and its impact on the evolution of real wages, but also as a consequence of labour force adjustments made by employers. In fact, the pace of job creation in the private sector declined considerably since late 2008. There was an increase in dismissals and suspensions in some sectors such as textiles, wood, metal and construction (see Chart 4). These changes in the labour market caused conflicts linked to the defence of jobs, mainly at the level of the workplace.

**Chart 3: Formal employment in manufacturing, Argentina 2008 – 2014**

	2008	2014	2008 – 2014
Manufacturing	1.187.423	1.213.709	2.21%
Food, beverages and tobacco	324.645	341.204	5.10%
Textile	153.319	146.658	-4.34%
Wood	117.917	109.675	-6.99%
Oil and chemical	168.834	178.541	5.75%
Metal	136.803	134.252	-1.87%
Transport equipment	82.021	88.381	7.75%
Capital goods	119.325	129.703	8.70%
Other industries	84.559	85.297	0.87%
Construction	414.249	418.898	1.12%

Source: Author's own calculation with data from SIPA.

The information presented here shows that over the last decade, developments in the labour market and labour unrest were far from presenting a uniform path. On the contrary, it is possible to register three stages. First, between 2003 and 2007 (particularly after the December 2001 crisis), the alliance between the *Frente para la Victoria* government (FPV)

and the vast majority of trade unions was based on a process that included employment growth and labour conflicts focused on increases in real wages. Among the circumstances that helped create a temporary alliance between the government, the trade unions and the employers were the low prices of production (of both capital and labour), the weakness of the political system and its need for re-legitimation. The resurgence of inflation in late 2006 was among the first signs of tensions in this process, and this tendency accelerated substantially after the international crisis that began in late 2008 and early 2009.

The second phase was a period of greater turbulence and accumulation of stress which extended until 2011/2012, when the labour market exhibited serious difficulties in continuing to reduce the level of unemployment. Trade union disputes began to contain a defensive component, either to address the impact of inflation on real wages, or to keep jobs. Tensions related to the labour market were supplemented, during this period, with the reappearance of political conflicts between the national government and the country's biggest trade union, *Confederación General del Trabajo* (General Workers Confederation, CGT). An open conflict emerged on the occasion of the presidential and parliamentary elections of 2011, during which the union's demands for higher positions of political power were ignored completely by the ruling party. The alliance of the government with the then leader of the CGT, Hugo Moyano, broke in the following year after the Ministry of Labour intervened in the process of renewal of the CGT leadership.<sup>33</sup>

Finally, the third phase was characterized by heightening tensions as a consequence of economic stagnation that coexisted with high inflation. As noted above (see Chart 1), the growth of Argentina's economy had stopped in 2012, real wages dropped, and inflation stood at its highest levels since 2002. At the same time, the international context made greater difficulties than in previous years, even though the terms of trade were still favourable by historical standards. These difficulties in the economic sphere, particularly in the labour market, were accompanied by the disruption of the alliance between an important part of the trade unions and the government, causing an increase in labour disputes recorded in the years 2011-2012. It included the resurgence of general strikes as a tool for trade union action after more than a decade.<sup>34</sup>

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<sup>33</sup> ESPER, Mariel. "De los conflictos laborales a las huelgas generales. Algunos apuntes para pensar su dinámica 2002-2012 en Argentina. Socio. Avances en el estudio de la relación entre sindicalismo y kirchnerismo". *Sociohistórica*, n. 33, 2014.

<sup>34</sup> Ibid.

Thus, labour conflicts in recent years have combined economic claims (mainly regarding wages and working conditions) with political claims (particularly related to tax and income policies) and, more recently, with the defence of jobs.<sup>35</sup> In turn, there was a quantum leap in the conflict cycle from November 2012 onwards, when two factions of the CGT and the *Central de Trabajadores de la Argentina* (CTA) convened for the first general strike in a decade, which was then replicated in April and August 2014 and later in March and May 2015.

### 3.2. Increasing labour conflicts in Brazil

Similar to the events witnessed in Argentina – and throughout the continent – Brazil has experienced a drop in economic growth since 2011, mainly due to the international economic crisis and the drop in the prices of export commodities. In 2010, the last year under Lula, growth reached a stunning 7.5 per cent, and in 2011 there was a drastic fall to 2.7 per cent,<sup>36</sup> initiating a period of consistently low or negative growth. With this trajectory, Brazil can be included in the group of countries in the region that witnessed slow growth in comparison with the previous decade,<sup>37</sup> mainly as a consequence of the changing conditions for its exports in the international markets and the limitations that the model of social compromise had reached. As outlined earlier, in order to move forward with the neo-developmental agenda, Brazil would have needed further redistribution by addressing the financial markets and the tributary structure<sup>38</sup> in depth. The popularity of Dilma Rousseff entered into a crisis during her first term and the class compromise that had prevailed during Lula began to unravel.<sup>39</sup>

The flattening of economic growth, coupled with an increasing level of inflation – though not as drastic as in Argentina<sup>40</sup> – led the Dilma

<sup>35</sup> The complaints brought to the state included changes to the regulation of the system of family allowances and income tax. Additionally, the unions also protested against a law passed by the Parliament in order to reform the reparations' system against occupational diseases and accidents.

<sup>36</sup> DIEESE. "Balanço das greves em 2010-2011". *Estudos e pesquisas*. N. 63. 2012.

<sup>37</sup> CEPAL. "Balance preliminar de las economías de América Latina y el Caribe". Brasil. Santiago: CEPAL. 2013.

<sup>38</sup> On the financial constraints, see MORAIS, Lecio and SAAD-FILHO, Alfredo. "Neo-Developmentalism and the challenges of Economic Policy-Making under Dilma Rousseff". Op. Cit. and SAAD-FILHO, Alfredo. "Mass Protests under 'Left Neoliberalism': Brazil, June-July 2013". Op. Cit. for the changes that led to the June rebellions, including the panic fueled by the main media around rising inflation rates.

<sup>39</sup> This was especially clear with the main economic players, including the Industrial Federation of Sao Paulo and other relevant players that had been part of the equation.

<sup>40</sup> CEPAL. "Balance preliminar de las economías de América Latina y el Caribe". Op. Cit. Inflation levels were lower in Brazil and kept under control by the government. However,

administration to cap fiscal spending, especially during 2011 and 2012.<sup>41</sup> The contraction in current expenses was taken as a precautionary measure in the context of a worsening international economic crisis and a preoccupation with the increasing levels of inflation.<sup>42</sup> Conservative fiscal policy had already been an element of dispute during the first period of Lula's presidency, mainly in the transition between the Cardoso and PT administrations (between 2003 and 2005). It now returned as a cause for conflict within the PT and between the party and some of its main allies.

The condition of low economic growth and budget restrictions during 2011 and 2012 specifically affected the public sector<sup>43</sup> and led to increasing labour conflicts greater than in previous years.<sup>44</sup> However, it is also worth noting that from 2011 onwards the number of strikes increased significantly in comparison with the preceding years. In 2010, the number of strikes was 446, while in 2011, it grew to more than 500.<sup>45</sup> In 2012, it reached over 800,<sup>46</sup> with a rising trend in the following years.<sup>47</sup> This increase implies an exponential jump from the average, especially when compared to the average during the earlier PT governments (as noted in Graph 2). It appears that this trend will continue to grow given that the economic situation is looking dim in the near future. Even then, it is relevant to note that the increasing conflicts have not yet reached the levels of the "strike wave" of the late 1980s and early 1990s,<sup>48</sup> when the union movement was in its most vigorous stage. Nor has the current stage witnessed the same level of general strikes, called upon by the confederations, as during the "strike wave".

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there was a massive campaign by media and major corporations to tighten fiscal spending and increase interest rates in order to control inflation.

<sup>41</sup> BASTOS, Pedro. "A economia política do novo-desenvolvimento e do social desenvolvimento". *Economia e Sociedade*. Vol.21, 2012, pp. 779-810; DIEESE. Balanço das greves em 2010-2011. *Estudos e pesquisas*. n.63, 2012.

<sup>42</sup> BASTOS, Pedro. "A economia política do novo-desenvolvimento e do social desenvolvimento". Op. Cit.

<sup>43</sup> GALVÃO, Andreia. "The Brazilian Labour Movement under PT Governments". Op. Cit.

<sup>44</sup> DIEESE. "Balanço das greves 2012". Op. Cit.; BOITO JR., Armando and MARCELINO, Paula. "O sindicalismo deixou a crise para tras? Um novo ciclo de greves na década de 2000". *Caderno CRH*. Vol.23, n.59, 2010, pp. 323-338.

<sup>45</sup> DIEESE. "Balanço das greves em 2010-2011". Op. Cit.

<sup>46</sup> DIEESE. "Balanço das greves em 2012". Op. Cit.

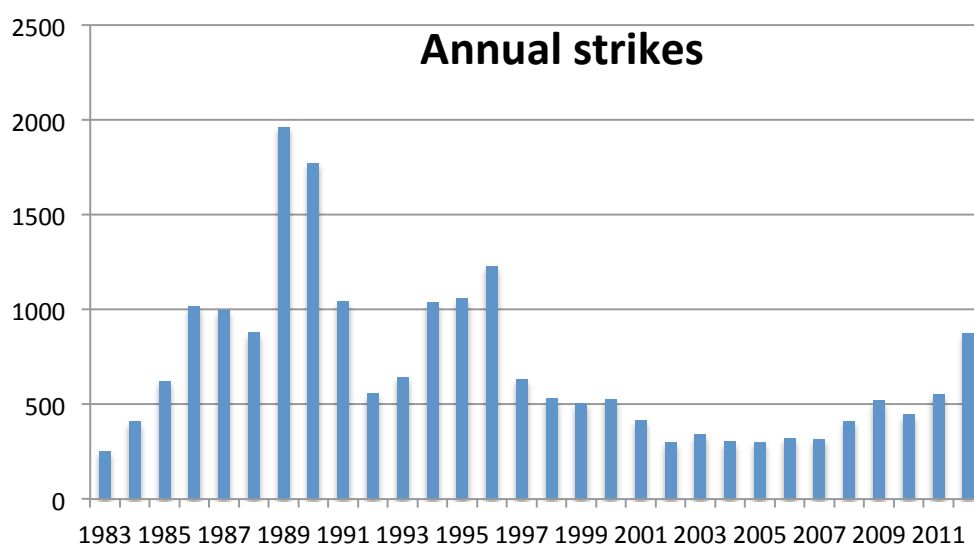
<sup>47</sup> Although DIEESE has not published the official results on the number of strikes for 2013-2014, informal conversations with researchers at the institute notified that the number of strikes would be well over 1000 for 2013.

<sup>48</sup> BOITO JR., Armando and MARCELINO, Paula. "O sindicalismo deixou a crise para tras? Um novo ciclo de greves na década de 2000". Op. Cit.

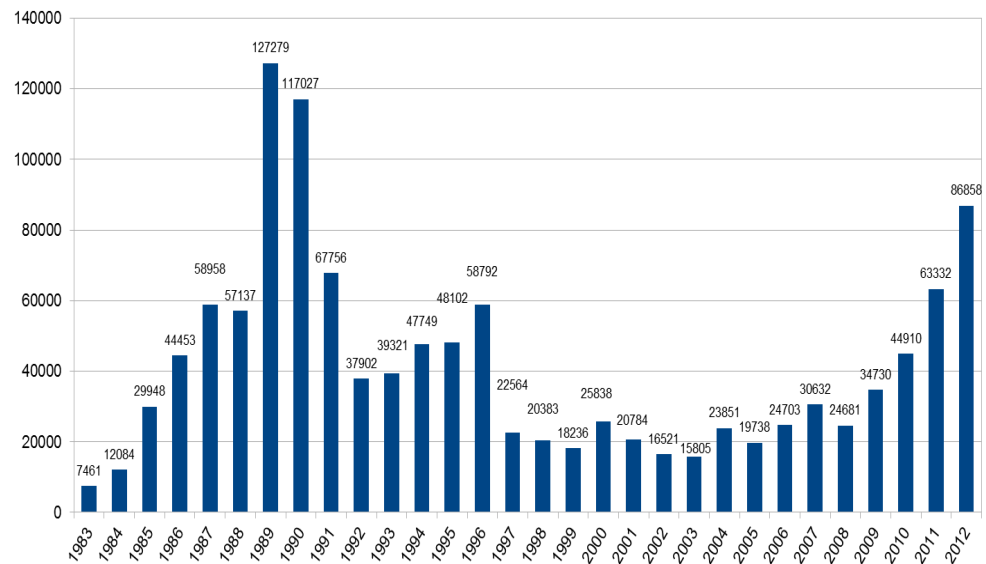
**Chart 4: Labour conflicts in Brazil, strikes by sector**

Sector	2011(%)	2012 (%)
Public	325 (58.7)	409 (46.8)
Private	227 (41.0)	461 (52.8)
Both	2 (0.4)	3 (0.3)
Total	554 (100)	873 (100)

Source: DIEESE 2013

**Graphic 2: Annual number of strikes in Brazil, 1983-2012**

Source: DIEESE 2013

**Graphic 3: Annual work hours lost due to strikes in Brazil, 1983-2012**

Source: DIEESE 2013.

Several studies have underlined the specific characteristics of recent conflicts in Brazil, outlining two main noteworthy issues. Firstly, the nature of the demands of the strikes has shifted from predominantly offensive to defensive ones. In other words, there has been a shift from demands that imply new rights and benefits beyond those already negotiated to struggles aimed at defending already established rights and benefits and focusing largely on updating wage levels. Even though strikes actually have a component of both types of demands, the latest conflicts have increasingly focused on the latter type. As indicated in Chart 5, this shift is demonstrated when we take into consideration a sample of the strikes in the largest public sector union, the state employees, and the largest union in the private sector, the metalworkers. In both conflicts, the number of defensive demands increased from 2011 to 2012, while the offensive ones diminished significantly.



**Chart 5: Strikes in Brazil (2011 and 2012) by content, sector (focus on industry for the private sector and employees for the public sector)**

	2011		2012	
	Public (employees)	Private (industry)	Public (employees)	Private (industry)
Offensive	81.8	83.2	64.2	67.0
Defensive	66.2	42.0	74.5	61.2

Source: Author's own calculation with data from DIEESE.

The second relevant aspect of the recent rise in strikes in Brazil (see Graph 2) was the growing importance of the private sector in those activities. It became the sector with the largest number of strikes during 2012 while the public sector remained the largest in terms of number of participants and duration of the protests. If strikes in the public sector were mainly a response to the fiscal adjustments of governments at the federal, state and local levels during 2011, the increases in private sector strikes during 2012, and the predominance of defensive demands in them, were a clear sign of the economic slowdown that has continued over the last three years. These strikes also indicate the changing dynamics in the models of negotiation between the trade unions, the state and employers. In sharp contrast to the case of Argentina, where real wages have only matched inflation for the last rounds of negotiations, two processes have been taking place in the case of Brazil in the period of intense conflicts. On the one hand, unemployment levels continued to drop, reaching nearly five per cent during 2014,<sup>49</sup> which allowed unions to strengthen their bargaining position during negotiations with employers. On the other hand, and perhaps as a result of this last aspect, most wage negotiations have produced increases beyond the inflation rate, with an average of three per cent above inflation during 2013<sup>50</sup> and a similar level during the first semester of 2014.<sup>51</sup> This indicates that labour conflicts, even in the case of a dominance of defensive demands, did not imply cuts in real wages, marking a clear difference to the Argentine case.

<sup>49</sup> DIEESE. "Balço das negociações dos reajustes salariais do 1º semestre de 2014". *Estudos e pesquisas*. n. 73, 2014.

<sup>50</sup> Ibid.

<sup>51</sup> Ibid.

As outlined earlier in the paper, the capacity to generate economic growth was a fundamental basis for the success of the PT governments and the maintenance of the class compromises that held it together. The absence of that growth led to three significant and interconnected processes: lower investment rates and strained economic operations on behalf of the private sector; a greater number of conflicts between workers and employers; and a fracture in the political alliance between PT and the conservative parties<sup>52</sup> that had remained relatively loyal to Dilma Rousseff until then. The labour conflicts outlined in this section demonstrate that growing discomfort with the economic situation in Brazil has yet to target the national government in the form of general strike.<sup>53</sup> The predominance of defensive demands is also an indicator that the situation is changing. The wage hikes satisfied a specific aspect of those demands, but as the situation worsens, issues such as layoffs and suspensions in the manufacturing sector will become more common.

#### 4. Final remarks

The analysis presented throughout this paper indicates a significant change in labour conflicts – measured by the number of strikes – beginning with the slowdown in economic growth in Argentina and Brazil during the period 2012-2014. Both governing parties, the FPV in Argentina and the PT in Brazil, were eager to improve labour relations and constrain labour conflict during the largest part of their terms in reaction to the deep economic crises produced by the previous, neoliberal administrations. The article has defined this as part of a social compromise between a section of the organized working class, unorganized informal workers and a significant sector of the bourgeoisie. These alliances were not formally arranged and depended on three basic premises: first, and most relevant to our understanding, the continuation of economic growth; second, leadership on behalf of the executive government that could manage the negotiations between the

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<sup>52</sup> This refers to a group of parties that participated in the governing alliance, mainly the *Partido do Movimento Democrático Brasileiro* (PMDB) which has been a governing ally to PT and before that to the government of the Cardoso administrations.

<sup>53</sup> This paper was finished in early 2015, before the rising conflicts of late March, April and June in Brazil when several confederations, including CUT, mobilized against the new outsourcing law and the conservative economic policy of the government. There have been mass strikes in some sectors like construction – especially in the large infrastructural projects related to the Growth Acceleration Program –, the transport sector in Rio de Janeiro and the banking sector. A significant level of strikes did take place in the construction sectors (also in projects related to the World Cup of 2014), but these conflicts never reached the level of a general strike and remained constrained to those specific sectors. Similarly, the transport workers' strike in Rio de Janeiro had some relevance to national policies, but it was mainly directed at the municipality and at the union leadership itself.

sectors; third, a narrative of opposition to neoliberalism. These three pillars began to disentangle between 2012 and 2014 for a variety of reasons, some of which were outlined throughout this paper. These include changes in the international markets – as a consequence of the global economic crisis –, new leaderships with a different relationship to labour movements, and the usual fatigue of governments in office for more than a decade. The combination of these factors makes it more difficult to challenge, as was previously done, the dilemma between neo-developmentalism and neoliberalism.

The focus of this paper has been on the correlation between these changing dynamics and increases in labour conflicts in both countries over the last three years. Even though the level of conflicts is higher in Argentina than in Brazil – following a historical trend – there was a clear quantitative increase during 2012 for both countries. In the case of Argentina, in just one year conflicts increased by over 26 per cent, while in Brazil the same year witnessed a 63 per cent increase in strikes. Differences between both countries remain, indicated by the distinct responses of the union confederations in each country to a similar situation. In Brazil, the majority of the trade union confederations remains in negotiations with the PT government,<sup>54</sup> even while protesting against certain aspects of the administrations' policies. In Argentina, the significant increase in strike activity went along with changes in the government-confederation relationships, and a significant section of the CGT – led by the truck workers' union leader Hugo Moyano – broke the alliance with the FPV. The context of low unemployment and strengthened labour unions is a relevant factor that has made unions more comfortable with strike action. Particularly important is the fact that even during the worst years of the recent economic crisis (2009-2010), unemployment was kept at low levels, allowing for an increase in strike activity. In a way, the economic process that the labour movement was facing had also provided the conditions for that contestation to take place.

It is also worth mentioning how the differences in local and regional strike conflicts were built into national mobilizations in the form of general strikes. In Brazil, general strikes are unusual and the confederations have resorted to “national days of mobilization” to express discontent. In

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<sup>54</sup> The main split within the implicit alliance of the major confederations regarding the government took place during the national elections of 2014, when a significant section, but not all, of *Força Sindical* sided with the opposition candidate Aécio Neves and began more openly criticizing the administration of Dilma Rousseff. As mentioned earlier, other unions like *Conlutas* and *Intersindical* remained in opposition to PT throughout the decade, but they represent a small minority of the overall number of unionized workers.

Argentina, general strikes have remained a common tool for trade union action to this day. If we look at a medium-term period (1979-2002), Brazil experienced seven general strikes, against 39 in that same period in Argentina.<sup>55</sup> This period is not included in this paper, but presents a useful comparison in historical terms about the tendencies in each of the labour movements. If we look at the period analyzed in this paper, from 2012 to 2014 Argentina had three general strikes (November 2012, April 2014 and August 2014) while Brazil had one (July 2013), which was initiated after the massive mobilizations that took the country by surprise in June of that year. The reference to general strikes is meant to provide a comparative perspective of how trade union conflict at the local level is channelled nationally. Even though the increase in conflicts was higher in Brazil, it was in Argentina where the centralization of protest in the form of general strikes took place. In Brazil, the call for a strike in July 2013 had more to do with a late response to social unrest than to specific labour demands. Moreover, it is also remarkable that general strikes in both countries took place in non-electoral years, which implies demands beyond specific political-electoral intentions.

Despite the differences between each country, the commonality of rising labour conflicts between 2012 and 2014 can be interpreted as a sign of changing times in the alliances that had been built in both Argentina and Brazil between the centre-left governments and a majority of the labour movement. These alliances reached a limit once the model of neo-developmentalism was faced with serious contradictions and limitations especially in terms of the class compromise that sustained it. As Alfredo Saad-Filho has asserted,<sup>56</sup> the continuation of a model of economic growth and redistribution in the current international context would have required enforcing the neo-developmental agenda, especially in terms of regulation and taxation of the main economic groups that had benefited throughout the decade. Whether due to the correlation of forces at the times of crisis or due to the lack of muscle or interest on behalf of the governments to push the agenda further, the reality is that the strain on labour relations did take place and began to place workers and their organizations at odds with those governments that were only just recently supported. Ongoing events in both countries show that these contradictions and the following confrontations are only increasing.

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<sup>55</sup> CANGUSSU DE SOUZA, Davisson. "Movimiento operario e sindical no Brasil e na Argentina: apontamentos para uma analise comparativa". *PIMSA, Documento de Trabajo*. n.70, 2010.

<sup>56</sup> SAAD-FILHO, Alfredo. "Mass Protests under 'Left Neoliberalism': Brazil, June-July 2013". *Op. Cit.*

This essay presented a panorama of labour relations and conflict in Argentina and Brazil in recent years. The realities in these countries are not analogous, just as the years of trade union “bonanza” during the Lula administration and Nestor Kirchner’s government were not alike either. The increasing strike activity during governments that had produced pro-labour policies took place in a context of economic slowdown and is a symbol of state-labour relations becoming more conflictual. In any case, the growing conflicts show that even though state-labour relations can be positive, there are persistent difficulties with generating processes that, given the current structure of production, can guarantee the basis for stable economic growth and a continuous improvement in workers’ conditions. How this dilemma is addressed will determine the future of the labour movement and the national governments.

## Strikes and labour relations in China

*Tim Pringle*

### **I**ntrouduction

Article One of the Constitution of the People's Republic of China (2004) could not be clearer. China is a “socialist state under the people's democratic dictatorship led by the working class and based on the alliance of workers and peasants”.<sup>1</sup> This apparent collective “exceptionality” of China stands in stark contrast to the dominant political ideologies of the current individualistic neo-liberal era of capitalist globalisation. However, when I look at China through a lens of labour relations and the class struggles they generate, the case for China's “generality” – as opposed to “exceptionality” – hoves into view: it is very clear that the country is marked by high inequality, a poor implementation of labour laws and an obvious power imbalance between the forces of capital and the forces of labour relations in which the state mostly supports the former. Seen through this lens, China no longer resembles a state “led by the working class” but rather a state focussed on containing one that is finding its voice. It is this contentious dynamic that I examine in this paper.

My paper is organised into four sections and concludes with some cautious observations on the future development of the nascent labour movement in China. The first section shows how economic reform has brought structural changes to China's working class while placing the processes that generated these changes in a global context. I conclude the section with data on the incidence of resistance to the processes. Section two briefly unpacks the trajectory of resistance which, I suggest, has moved from defensive to

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<sup>1</sup> Constitution of the People's Republic of China. Available at [[http://www.npc.gov.cn/englishnpc/Constitution/2007-11/15/content\\_1372963.htm](http://www.npc.gov.cn/englishnpc/Constitution/2007-11/15/content_1372963.htm)] Accessed May 20, 2015.

offensive although hardly in a uniform manner. In the third section, I turn to the state's response – including the ACFTU – to class struggles. The fourth section discusses specific examples of significant strikes in Guangdong province and attempts by the party-led ACFTU to support, deflect or squash them.

The data and motivation for this paper comes from interviews with workers, workers' representatives, labour NGOs (LNGO) and union figures during two fieldwork trips in the summers of 2013 and 2014. In total, I carried out semi-structured interviews with six workers representatives, 12 LNGO staff members and two trade union officials in Guangdong, Beijing and Hong Kong. I also draw on data from supervised field work with 23 sanitation workers conducted in July 2013 by an LNGO with almost two decades of experience of operating in Guangdong. This research was supplemented with two days of focus group discussions with four workers' representatives from the Lide strike in July 2015. Furthermore, I also make use of secondary materials drawn from academic journals and books, traditional and alternative media resources and labour NGO reports in Chinese and English. Some of the latter material is not publicly available, but on file with the author. Dictated by my fieldwork location of Guangdong, this paper draws chiefly on evidence and strikes in this province.

### **1. The Socialist Market Economy and Capitalist Labour Relations**

The death of Mao Zedong in 1976 opened up a power struggle that would determine the future direction of China. Put crudely, on one side the Maoists argued for (a) a continuation of the command economy based on the privileging of ideology over empirical-technical realities; (b) relative equality and; (c) a Party-determined mass line. On the other side were more centrist CPC cadres lined up behind a resurgent Deng Xiaoping. A veteran revolutionary and senior Communist Party of China (CPC) leader, Deng had been a target of Mao's Red Guards during the turbulent early years of the Cultural Revolution (1966-69) and was sent to the countryside to ponder his ideological shortcomings as a "capitalist roader" while, among other duties, cleaning public toilets. Mao's death cleared his path back to power. After two years of manoeuvring, Deng and his supporters emerged as winners and in 1978, the Third Plenum of the 11<sup>th</sup> Party Congress confirmed Deng as China's new leader and signalled the beginning of the "reform and opening up" era. China's transformation from a command economy to a socialist market economy in which capitalist labour relations would be gradually re-introduced and eventually come to dominate had begun.

However, this was to be no Chicago-school influenced explosion of privatisation as witnessed in Chile in the 1970s or following the collapse of the USSR in the 1990s.<sup>2</sup> The Chinese road away from state socialism is summed up in the Chinese idiom “crossing the river while feeling for the stones”, that highlights the gradual nature of the transition. Nevertheless, with the benefit of hindsight, the writing was on the wall for the Chinese working class fairly early on in the process: in 1982, the CPC removed the right to strike from the Constitution. At the time, this was justified on the basis that Chinese workers “owned” the enterprises that most of them were employed in. As a consequence, labour disputes were not seen as disputes between labour and capital but as “internal” and between the “people” rather than between classes.<sup>3</sup> Again with hindsight, the net result was that just as China began to welcome foreign capital back to its Eastern and Southern shores – albeit cautiously and incrementally – the party announced its position in the new era: pro-capital in order to be pro-employment. Throughout the reform era, the CPC has consistently linked its political survival with the social stability it believes employment promotion brings.<sup>4</sup> In this situation, the legality of strikes remained a grey area. They were neither criminalised nor protected under law. In any case, the dramatic increase in strikes since 2004 suggests that workers have not been deterred by the lack of legal clarity and, on occasion, have even used it to their advantage.

In the transition period, a perfect storm was brewing for the working class: in the then largely unknown world beyond Chinese borders, neoliberalism heralded a “momentous shift towards greater social inequality and the restoration of economic power to the upper class”.<sup>5</sup> Within China, the gradual return of private capital and competitively-driven labour markets heralded the demise of industrial relations based on the integrated interests of managers and workers within a 单位 (work unit – usually involving at least one state-owned enterprise) working to meet production targets negotiated with the central planners. In their place came contract-based time-defined capitalist labour relationships as the state worked to create an

<sup>2</sup> PRINGLE, T. AND CLARKE, S. *The Challenge of Transition: Trade unions in Russia, China and Vietnam*. Basingstoke: Palgrave Macmillan, 2011.

<sup>3</sup> INTERNATIONAL HONG KONG LIAISON OFFICE. Available at: [<http://www.ihlo.org/IS/000805.html>] Accessed on 20 May 2015. See also: [<http://www.ihlo.org/LRC/ACFTU/000204.html>]. 2002. Accessed 27 May 2015.

<sup>4</sup> WHITE, G. “Restructuring the working class: labor reform in post-Mao China”. In: DIRLIK, A. and MEISNER, M. (eds.) *Marxism and the Chinese experience*. New York: M.E. Sharpe, 1989, pp. 152-170; NAUGHTON, B. *Growing out of the plan: Chinese economic reform 1978-1993*. Cambridge: Cambridge University Press, 1995; BLECHER, M. “Hegemony and workers’ politics in China”. *China Quarterly*. 170, 2002. pp. 283-303.

<sup>5</sup> HARVEY, D. *A Brief History of Neoliberalism*. Oxford University Press, 2005, p. 26.



investment friendly environment aimed at attracting foreign investment initially led by capitalists from Hong Kong, Taiwan, Japan and South Korea. The storm did indeed hit the Chinese working class, but the warning flag was not officially hoisted in full view until the 15<sup>th</sup> Party Congress held in 1997 with the slogans 裁员增效 (shed jobs to increase efficiency) and 抓大放小 (let go of small and medium size enterprises and hold on to the large ones).<sup>6</sup> The Congress announced full-scale restructuring and at least partial privatisation of the state sector. Small and medium-sized state-owned enterprises (SOEs) and some larger ones were privatised or bankrupted while the state held on to larger enterprises in key sectors such as energy and construction. The storm struck hardest in the urban heartlands of Maoist industry generating up to 50 million lay-offs of state-owned workers by 2004.<sup>7</sup> This traumatic and contested unmaking of the traditional working class<sup>8</sup> was accompanied by the making of what some researchers refer to a “new working class”<sup>9</sup> or 新工人群体 – literally new groups of workers.<sup>10</sup> By the end of 2009, China had just under 230 million internal migrant workers,<sup>11</sup> most of whom were working in the private sector: joint ventures between foreign capital and Chinese companies, foreign-owned firms, Chinese-owned firms – including labour dispatch agencies providing agency workers to SOEs and township and village enterprises known as TVEs. These were the relics of agricultural communes that were privatised following a period of local government-led enterprise.<sup>12</sup> The pluralisation of ownership took full advantage of a transition period with characteristics often found in post socialist states: an evolving and largely non-enforced regulatory framework for labour relations; close links between powerful local government officials and agents of capital; a monopolistic trade union under the leadership of the ruling Party<sup>13</sup>; and severe repression of workers who attempted to organise autonomously.<sup>14</sup>

<sup>6</sup> PRINGLE, T. *Trade Unions in China: the challenge of labour unrest*. Abingdon: Routledge, 2011, pp. 56-86.

<sup>7</sup> PRINGLE, T. and LEUNG, A. “Causes, implementation and consequences of ‘xiagang’”. In: LUK, P. (ed.) *Xiagang: Sacrifice in the Transformation of Labour Policy in the China from State to Market*. Hong Kong: Asia Monitor Resource Centre.

<sup>8</sup> CHEN FENG. “Industrial restructuring and workers’ resistance in China”. *Modern China*. 2003, pp. 236-62.

<sup>9</sup> CHAN, Jenny; PUN, Ngai; SELDEN, Mark. “The Politics of Global Production: Apple, Foxconn and China’s New Working Class”. *New Technology, Work and Employment*. Vol. 28, n. 2, 2013, pp. 100-15.

<sup>10</sup> 吕途。中国新工人迷失与崛起。北京：法律出版社。2013。p. 11

<sup>11</sup> ILO. “Labour Migration”. Available at: [<http://www.ilo.org/beijing/areas-of-work/labour-migration/lang--en/index.htm>]. Accessed 10 January 2015.

<sup>12</sup> WU FULONG. “China’s changing urban governance in the transition towards a more market-orientated economy”. *Urban Studies*. Vol. 39, n. 7, 2002, p. 1075.

<sup>13</sup> This was not the case in the former USSR where the state trade union split from the Party

Capitalists in China have proved adept at operating in this pro-investor/pro-capital framework and have worked hard at either taking advantage of existing fragmentary pressures in labour forces or creating new ones. The large-scale labour migration of the reform era has been conducted under the administrative constraints of the *hukou* system that restricts access to public and welfare services to one's place of birth. The consequent absence of state support for labour migrants has forced workers to rely on informal networks of support such as hometown associations. In some cases, capitalists were able to manipulate these networks as instruments of division; in other cases, they served to unite workers as struggles unfolded.<sup>15</sup> Processes of informalisation associated with neoliberalism have also been important to capitalists. For example, workplace solidarity has been weakened by the widespread use of student interns by companies such as Foxconn<sup>16</sup> as well as agency workers in key sectors such as the auto industry.<sup>17</sup>

Incidents of resistance arising from the return of capitalist labour relations and related protests have increased numerically over time. Official data for so-called "mass incidents" (群体性事件), which are loosely defined as expressions of "civil unrest"<sup>18</sup> involving significant numbers of people, state there were 87,000 such protests in 2005.<sup>19</sup> Researcher Yu Jianrong argued that there were over 90,000 in 2009 – with over 30 per cent of these related to labour incidents.<sup>20</sup> However, the number of strikes as a component of these figures is not known, and the state prohibits publication of national statistics on strike days lost. Indeed, in 2006 it stopped publishing data on "mass incidents" altogether. An alternative indication of unrest can be found in official records of labour dispute mediation and arbitration committees along with civil court records. These sources reflect the state's efforts to construct formal institutions of labour dispute settlement that I will discuss in the next section. Despite the well-documented problems with the data collection<sup>21</sup>, they suggest a story of rising rights consciousness<sup>22</sup> and a

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in 1987 eventually forming the FNPR.

<sup>14</sup> PRINGLE AND CLARKE. *Op Cit.*

<sup>15</sup> KING-CHI CHAN, Chris. "Strike and changing workplace relations in a Chinese global factory". *Industrial Relations Journal*. Vol. 40, n.1, 2009, pp 60-77.

<sup>16</sup> CHAN, Jenny; PUN, Ngai; and SELDEN, Mark. "Interns or Workers? China's Student Labor

Regime." *Asian Studies* 2016 (forthcoming).

<sup>17</sup> ZHANG, Lu. *Inside China's Automobile Factories: The Politics of Labor and Worker Resistance*. New York: Cambridge University Press, 2015.

<sup>18</sup> JUSTINE ZHENG REN. "Mass incidents' in China". Available at: [<http://www.eastasiaforum.org/2011/07/13/mass-incidents-in-china/>] Accessed on 12 January 2015.

<sup>19</sup> FREEMAN, W. "The accuracy of "mass incidents"". *Financial Times*. 2 March 2010.

<sup>20</sup> 于建嵘. '群体性事件症结在于官民矛盾'. *中国报道*. 2010. pp. 50-51.

<sup>21</sup> PRINGLE AND CLARKE. *Op. Cit.* pp. 120-123.

willingness to pursue employers through juridical channels. Figure 1 below shows the significant rise in arbitration via cases and numbers of workers involved. The leap in 2008 was the outcome of the promulgation of the Labour Dispute Mediation and Arbitration Law and the impact of the financial crisis that led to over 26 million lay-offs.<sup>23</sup>

Interesting though these figures are as a guide to overall trends, they tell us little about the changing forms of labour unrest or, indeed, the emergence of a labour movement.<sup>24</sup> Increased reporting of strikes in the state media has prompted the use of internet technology to compile strike maps based on media and witness reports. China Labour Bulletin (CLB) recorded 1793 strikes in the 2013-14 period with just over a quarter occurring in Guangdong province.<sup>25</sup> The map records 235 incidents in the first quarter of 2014, an increase of 49 per cent on the same period in 2013 that had 158 incidents, and 180 per cent higher than the second quarter of 2012, which featured 84 strikes. CLB qualify this increase by stating that the rapid development of verifiable social media reports of disputes included in their database that have made strikes more visible.<sup>26</sup>

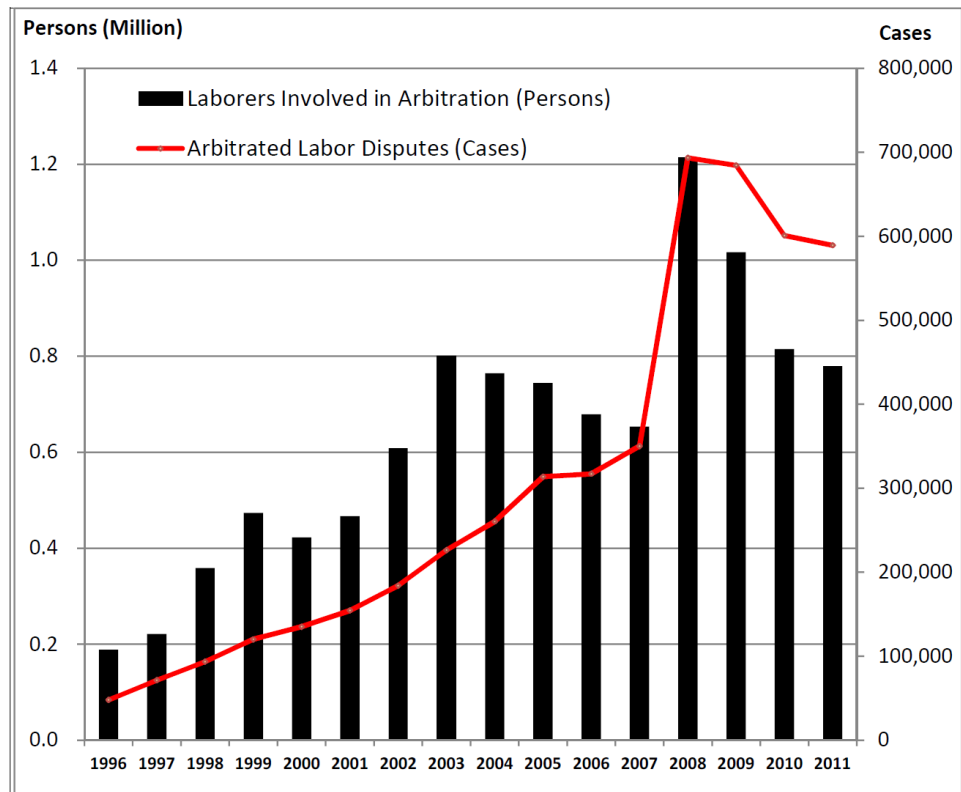
<sup>22</sup> GALLAGHER, M and DONG, B. "Legislating Harmony: Labor Law Reform in Contemporary China". In: KURUVILLA, Sarosh; LEE, Ching Kwan and GALLAGHER, Mary E. (eds.) *From Iron Rice Bowl to Informalisation*. Ithaca: ILR Press, 2011, pp 36-60. COONEY, S., BIDDULPH, S. and YING ZHU. *Law and Fair Work in China*. London: Routledge, 2013.

<sup>23</sup> MITCHELL, T. "China's Migrant Workers Face Bleak Outlook". *Financial Times*. 9 February 2009.

<sup>24</sup> PRINGLE, T. "Reflections on Labor in China: From a moment to a movement". *South Atlantic Quarterly*. 112, 1, 2013, pp. 191-202. CHINA LABOUR BULLETIN. "The Workers Movement in China: 2011-13". Available at: [<http://www.clb.org.hk/en/research-reports>]. Accessed 17 January 2015.

<sup>25</sup> CHINA LABOUR BULLETIN. '中国工人运动观察报告2013-14'. Available at: [<http://www.clb.org.hk/en/content/stepping-breach-labour-groups-start-take-role-trade-union-china>] Accessed on 21 May 2015.

<sup>26</sup> CHINA LABOUR BULLETIN. The strike map is available here: [<http://www.numble.com/PHP/mysql/clbmap.html>] Accessed 12 May 2015.

**Figure 1: Labour Arbitration 1996-2011**

Source: *China Labour Statistical Yearbook 2012* (2013: 352-53).

As dramatic as the statistics are, the changing nature of resistance is perhaps more important for our discussion here. Put very generally, there has been a transformation in the methods workers deploy to pursue demands. Strikes aimed at forcing employers to negotiate over wages, conditions and more recently social insurance payments have replaced short protests that had a much lower impact on production and were aimed at pressuring state officials to intervene directly and discipline employers over below-minimum wages, wage arrears, overtime payments as well as compensation for factory movement to other areas. Over the last five years, the rise in what might be termed non-defensive strikes with demands that go beyond state-determined minimum wages has been further nuanced by a marked trend in strikes related to arrears in social security contributions or compensation relocation. While seemingly defensive in nature, this additional set of rights-based demands nevertheless reflects the same increased capacity to organise against capital and state that has resulted in wage-based strikes.

This shift in the forms of labour unrest is certainly not uniform across the country, and I do not suggest that a protest aimed at involving the state rules out a strike aimed at bargaining with capital. It has been characterised by

some as a transition from protests over rights that have been fragmented by state juridical procedures into individual disputes to strikes over interests that are based on collective bargaining as an instrument of dispute resolution and even dispute avoidance.<sup>27</sup> The state, the ACFTU and labour representatives and their supporters have, to various degrees and for different reasons, advocated forms of collective bargaining.<sup>28</sup> Employers have been less enthusiastic.<sup>29</sup> In the following section will attempt to unpack, briefly, the logistics of this complicated and nuanced transformation.

## 2. The changing trajectory of labour unrest

Labour protests throughout the 1990s and the first few years of this century reflected the early processes of China's transition from a command to a market economy outlined above. As we have said, the main tactic of workers in both the state and private sectors was to get state officials involved in reaching a solution. But the logic behind these tactics was not the same for state workers as it was for migrants. The latter were many hundreds of miles from their home – often in special economic zones set up in south or east China. As we have seen, their ability to survive without wages away from family support networks was severely constrained by administrative restrictions on their rights to stay in a city without work or access to welfare associated with urban residence. Moreover, there was a large reserve army of labour in the countryside enabling employers to replace “troublemakers” with or without the coordinated assistance of the local state. As the scholar Han Deqiang observed in 2002:

Outside the gates of every enterprise in our so-called Special Economic Zones you can see small crowds of workers who are waiting to be hired even if the factory has no hiring policy at the time. When they do hire, this small crowd quickly turns into a crush of desperate migrant workers.<sup>30</sup>

<sup>27</sup> CHAN, C.K.C. and HUI, E.S.I. “The Development of Collective Bargaining in China: From ‘Collective Bargaining by Riot’ to ‘Party State-led Wage Bargaining’”. *China Quarterly*. N.217, 2014, pp. 221-242.

<sup>28</sup> THE PEOPLE'S DAILY. ‘中共中央国务院关于构建和谐劳动关系的意见’. Available at: [[http://paper.people.com.cn/rmrb/html/2015-04/09/nw.D110000renmrb\\_20150409\\_2-01.htm](http://paper.people.com.cn/rmrb/html/2015-04/09/nw.D110000renmrb_20150409_2-01.htm)] Accessed 20 May 2015. CHUN HAN WONG. “China aims to smooth labour unrest”. *Wall Street Journal*, 2015. Available at: [<http://www.wsj.com/articles/china-aims-to-soothe-labor-unrest-1428478396>] Accessed 7 May 2015.

<sup>29</sup> HUI, E.S.I. and CHAN, C.K.C. “The politics of labour legislation in southern China: How foreign chambers of commerce and government agencies influence collective bargaining laws”. *International Labour Review*. N.153, 4, 2014, pp. 587-607.

<sup>30</sup> Observation from the floor made at the Asia Pacific Research Network *China and the WTO* conference, 4-6 November 2002, Guangzhou.

Trade union representation for migrants was weak to non-existent. In fact, the ACFTU did not recognise migrant workers as potential members until 2003 and generally referred to them by using the state-constructed parlance of “peasant workers” (农民工). Faced with these constraints, workers’ tactics focussed on a mix of marches down to government offices or even a highway blocking – as opposed to declared strikes and picket lines – as well as testing the evolving juridical procedures of arbitration and the courts sometimes with the help of labour NGOs that were especially active in the southern province of Guangdong.

In contrast, the logic underpinning resistance by workers in the restructuring state sector was determined by a somewhat different context. There were four main differences. First, although SOE workers were being automatically enrolled into the union, the possibility of the Party-led ACFTU leading opposition to a key CPC policy – SOE restructuring – were almost zero. Constitutionally, the ACFTU’s role was – and is – blurred by references to its mission to protect “the overall interests of the entire Chinese people” rather than the sectional interests of groups of workers. It works to “implement the Party’s basic line of centring on [the] economic construction”.<sup>31</sup> As such, the union spent far more energy persuading its members to accept phased lay-offs and seek alternative employment – often vulnerable self-employment – rather than challenging the policy itself. In this way, the organisation adhered to its traditional role developed in the command economy era as a productivity orientated labour welfare bureaucracy rather than a trade union representing the interests of its members. Second, the redundancy policy was partially ameliorated by state-imposed obligations on SOEs to keep laid off workers on their books for three years, provide retraining and livelihood stipends as well as medical expenses. While these obligations were often ignored, acquisition of such entitlements nevertheless became the focus of widespread, but scattered protests<sup>32</sup> and workers rarely demanded their jobs back. Third, the development of more actively class conscious and linked up resistance was constrained by the political framing of restructuring itself as references to the sensitive term of “privatisation” were studiously avoided in the official discourse. When the term was deployed either by radical market reformers or in the narrative of resistance, workers were more likely to refuse to “enter new property relations disadvantageous to them”.<sup>33</sup> Finally, the material conditions necessary for strike action were rarely in place. The careful

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<sup>31</sup> CONSTITUTION OF THE ACFTU (1998). Available at: [<http://www.acftu.org.cn/template/10002/file.jsp?cid=48&aid=237>]. Accessed 24 May 2015.

<sup>32</sup> CAI, Y. *Op. Cit.* p. 343.

<sup>33</sup> CHEN FENG. *Op. Cit.* p. 242.

sequencing of the restructuring project by the state meant that workers' protests erupted *after* they were stood down.<sup>34</sup> As one labour academic from the ACFTU's Labour Relations Institute pointed out at a seminar in Hong Kong in July 2001 there was often "no work to strike against!" (无工可罢!)

As we can see, throughout this period the balance of class forces was heavily weighted in favour of capital. Migrant workers' wages in Guangdong did not rise in real terms for 12 years<sup>35</sup> and across China up to 50 million SOE workers found themselves moved "from the centre to the margins of society".<sup>36</sup> This grim scenario began to change from 2003 onwards and as a result, the passive and defensive nature of both migrant and urban worker protests depicted above has gradually transformed into resistance primarily based on strikes or at least the threat of them. For reasons of space, I will only highlight what I think are the three most important factors explaining this change. There are, of course, many more. Firstly, a bank of knowledge on the factory system itself has accumulated among migrant workers sometimes with the assistance of LNGOs. In turn, these LNGOs are nurturing a cadre of worker representatives with experience of collective bargaining and organisational leadership – sometimes both. In more recent years, the internet and social media has facilitated both the transfer of such knowledge and the dissemination of information on strikes. Workers and their supporters have used the technology as a tool to organise in and beyond a given strike location. For example, mobile phone apps have been deployed to organise solidarity actions by sympathetic groups (群) of activists, lawyers, scholars and students – such as raising money to pay hospital fees of strikers injured by police attacks on picket lines.<sup>37</sup> In another example, workers representatives at Lide shoe factory used the Chinese mobile phone and computer application *weibo* to publish up to 28 strike and organising updates.<sup>38</sup> Secondly, the political and material space between migrants and urban workers has diminished over the last decade. This is the result of a mix of factors, but primarily the privatisation of SOEs and convergence with private sector labour relations regimes; and the state's alarm at growing inequalities and policies to address them, especially the policy of rapid

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<sup>34</sup> CHEN FENG. "Privatization and its discontents in Chinese factories". *China Quarterly*. n.176, 2006, pp. 1006-28. See also PRINGLE, T. "Paying the Price: Workers Unrest in Northeast China". *Op. Cit.*

<sup>35</sup> LIU, K. *A Social Structure of Lost Entitlements*. Shenzhen: Institute of Contemporary Observation, 2005.

<sup>36</sup> 邹中正 and 秦伟. '政府, 企业和家庭在成都市下岗女工的社会支持网络中的作用' in *人口与经济*. June 2001, pp. 55-60.

<sup>37</sup> The author is a participant in two such groups that raised money in this way during 2015.

<sup>38</sup> See @利得工人

urbanisation of central and western areas and the concomitant loosening of urban residence restrictions referred to earlier. While this has not yet produced a significant trend of examples of sustained solidarity between urban and migrant workers, the material conditions for such a scenario are increasingly in place as the distance between production and the reproduction of labour narrows.<sup>39</sup>

But perhaps the most important factor driving the emergence of a labour movement based on well-publicised strikes as opposed to isolated protests has been the labour shortages that began in South and East China and are now a key feature of Chinese labour markets in many parts of the country.<sup>40</sup> This has put workers in a much stronger bargaining position. The aforementioned absence of statistics on strike days lost renders this change difficult to quantify but there is a growing body of labour academics referring to the “collectivisation of labour relations” emerging in the wake of labour unrest in part generated by structural labour shortages.<sup>41</sup> While some of this literature is based on legal reform,<sup>42</sup> others have analysed labour unrest, strikes and institutional responses to track this shift in the balance of class forces.<sup>43</sup> As we shall see in the following section, the combination of shortages of labour and increasing militancy moderated state policy under the previous leadership of Hu Jintao as the consolidation of a legal framework seemed to open up the space for labour militancy and foster a qualified tolerance of LNGOs activities at least in the South. The current regime of Xi Jinping has been far less tolerant although strikes continue to be a significant feature of labour relations keeping them near the top of the state’s agenda.<sup>44</sup>

### 3. The State Response to Labour Unrest

The response of the Chinese state – including the ACFTU – to labour militancy fits into three broad categories: legal, representational and political. My focus here is on the first two categories, but I will

<sup>39</sup> FRIEDMAN, E. “China in Revolt”. *Jacobin*. n.7-8. 2012 [<https://www.jacobinmag.com/2012/08/china-in-revolt/>]

<sup>40</sup> PRINGLE, T. “Reflections on Labor in China: From a moment to a movement”. *Op. Cit.*, p. 195.

<sup>41</sup> See. ‘中国连续曝出劳资纠纷’. Available at: [<http://www.chinanews.com/gn/2014/06-03/6236735.shtml>] 2014. Accessed 26 May 2015.

<sup>42</sup> COONEY, S. et al. *Op. Cit.*

<sup>43</sup> CHAN, C. *The Challenge of Labour in China: strikes and the changing labour regime in global factories*. New York: Routledge, 2010. PRINGLE, T. *Trade Unions in China: The challenge of labour unrest*. London: Routledge, 2011. FRIEDMAN, E. *The Insurgency Trap: Labor, politics in post-socialist China*. Ithaca: ILR Press, 2014.

<sup>44</sup> CHUN HAN WONG. *Op. Cit.*



contextualise the discussion with a brief foray into a political analysis of the state's response to unrest in general.

In the broadest terms, the Chinese state moved from repression to concession in dealing with unrest in general and labour unrest in particular during the Hu Jintao era.<sup>45</sup> Finding a balance between stability and rights has been an obsession with Chinese officials in Guangdong for over a decade. Failure to prevent an enterprise-based strike from developing into a strike wave can have serious career-related repercussions for state officials, and there is a reluctance to resort to repression for fear of providing the proverbial spark that ignites the prairie fire. The “soft” approach of the Hu-Wen era is well-documented in the literature<sup>46</sup> and represented a significant drain on non-police budgets as resources were re-directed towards upholding social peace. There is also the strong possibility that the legacy of this approach will constrain the development of more sustainable forms of dispute resolution as have been already piloted such as annual collective bargaining.<sup>47</sup>

In contrast, the Xi Jinping era has displayed a far less tolerant attitude towards both civil society and labour activism since 2012.<sup>48</sup> In Guangdong and no doubt beyond, this has spilled over into violent assaults on labour activists by unidentified men and the deployment of riot police in some strikes but does not appear to have had any marked impact on the willingness of workers to take such actions.<sup>49</sup> Indeed, the anti-corruption campaign that has accompanied the Xi crackdown has also been directed at both state officials and capitalists. It may even be an opportunity for workers to pursue non-wage claims such as embezzlement of workers' social security funds as was partly the case at the Yue Yuen strike discussed below.

After years of gradualism, China's legal framework for labour relations received a considerable boost in 2008 when three important labour-related

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<sup>45</sup> PRINGLE AND CLARKE. *Op. Cit.*

<sup>46</sup> GALLAGHER, M. “China's Workers Movement and the End of the Rapid-Growth Era”. *Dædalus: The Journal of the American Academy of Arts and Sciences*. 143(2), 2014, pp. 81-95; CHEN, XI. *Social Protest and Contentious Authoritarianism in China*. New York: Cambridge University Press, 2012.

<sup>47</sup> I am grateful to Jenny Chan for highlighting this outcome and pointing me towards the “activist state” literature. On annual collective bargaining see PRINGLE, T. and MENG QUAN. “From structural power to ‘appropriated associational power’ – class struggle and collective bargaining on a Chinese waterfront”. *ILR Review* (forthcoming), 2017.

<sup>48</sup> GLOBALIZATION MONITOR. “Stop violent assaults on labour organisations in China”. 2015. Available at: [<http://www.globalmon.org.hk/content/urgent-appeal-stop-violent-assaults-labour-organisations-china>] Accessed 12 May 2015.

<sup>49</sup> CHINA LABOUR BULLETIN. “At the sharp end of the workers' movement in China”. Available at: [<http://www.clb.org.hk/en/content/sharp-end-workers%E2%80%99-movement-china-zhongshan-cuiheng-strike>]. Accessed 20 May 2015.

laws were passed: the Labour Contract Law (LCL); the Labour Dispute Mediation and Arbitration Law (LMAL) and the Employment Law that was designed to coordinate employment agencies and reduce discrimination in the labour market. The LCL was an attempt to slow the rate of informalisation of employment and discipline employers into issuing permanent contracts to employees who had completed two consecutive fixed-term contracts (Article 14). In contrast to the earlier national Labour Law on 1995, the LCL carries an entire chapter on collective contracts signalling the state's intention to move away from the individualised nature of the first national Labour Law promulgated in 1995 and perhaps giving more credibility to the 'collectivisation' literature referred to earlier.

The LMAL was part of a general policy of channelling disputes into a two-tiered juridical system of dispute resolution thus containing militancy in a rights-based discourse that keeps people in the courts and off the streets. As we can see from Figure 1, this certainly had an effect in terms of the sheer numbers of workers applying for arbitration, and the data trend is largely the same for court settlements.<sup>50</sup> It also facilitated a consolidation of "legal activism" that crossed over into ACFTU output as it trained substantial numbers of lawyers to represent members. However, the union has tended to stick to cases it can win. In Guangdong province, the subsequent vacuum has been filled partially by LNGOs alongside growing numbers of self-trained paralegal activists and labour lawyers. The attitude of the Guangdong Federation of Trade Unions (GFTU) towards such groups has wavered between offers of cooperation to wariness and suspicion of foreign funding and interference – stances that usually reflect the wider political climate of the time.

An important addition to the framework came in 2011 with the Social Insurance Law. Article 95 expanded all five components of social insurance to all workers including migrant workers. The five components are pensions, unemployment, medical, work-related injury and maternity insurance. Importantly for migrant workers, the law stipulated that social insurance accounts may be moved from one workplace to another. However, this has proved very difficult to implement due to the "highly localized nature of the social welfare system...getting different jurisdictions to share information is fraught with bureaucratic and technical difficulties, especially for workers

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<sup>50</sup> CHINA LABOUR BULLETIN. "Migrant workers start to win significant compensation awards in the courts". Available at: [<http://www.clb.org.hk/en/content/migrant-workers-start-win-significant-compensation-awards-courts>]. Accessed 15 February 2015

coming from rural areas of China”.<sup>51</sup> Coverage for migrant workers remains very low. For example, according to a survey conducted by the National Bureau of Statistics in 2013, only 15 per cent of migrant workers employed outside their home province had pension accounts.<sup>52</sup> At the same time, its promulgation has served as a legal context for strikes over social insurance premiums especially among older migrant workers. The strike discussed below by 40,000 workers at the Yue Yuen shoe factory in April 2014 was an important example.

The second tier of the Chinese state’s response to labour unrest relates to the crucial question of representation – in my view the “elephant in the room” that impinges on all discussions on labour relations in China. As we have seen, the ACFTU remains a Party-led institution that has been slow and constrained in its adaption to the challenges presented by capitalist labour relations. Its role during the command economy era was primarily directive rather than representative and prioritised the meeting of production targets and welfare rather than defence of their members’ interests.<sup>53</sup> The organisation was hit hard by SOE restructuring losing up to 30 million members and a large number of experienced cadres prompting a membership drive that focused on migrant workers and the private sector. This has been enormously successful as the union had over 239 million members and rising in 2010 and a much stronger formal presence in the private sector.<sup>54</sup>

However, the organisation remains limited in its capacity to represent members’ interests. At enterprise level, the issue is not just party leadership, but how the absence of freedom of association produces a structural reliance on capital. As I make clear in the following analysis of significant strikes, until recently, enterprise-level trade union representatives were almost always appointed by the employer and reliant on the latter for their livelihood – indeed this is often still the case despite regulatory constraints on such practices. While union appointments are supposed to be ratified by the next level up in the trade union, higher unions rarely get involved in

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<sup>51</sup> CHINA LABOUR BULLETIN. “China’s social security system”. 2014. Available at: [<http://www.clb.org.hk/en/view-resource-centre-content/110107>] Accessed 29 November 2015.

<sup>52</sup> NATIONAL BUREAU OF STATISTICS. “National report on migrant workers 2013”. Available at: <https://translate.google.co.uk/#auto/en/2013%E5%B9%B4%E5%85%A8%E5%9B%BD%E5%86%9C%E6%B0%91%E5%B7%A5%E7%9B%91%E6%B5%8B%E8%B0%83%E6%9F%A5%E6%8A%A5%E5%91%8A> . (In Chinese). Accessed 28 November 2015.

<sup>53</sup> PRINGLE AND CLARKE. *Op. Cit.* p. 10.

<sup>54</sup> ACFTU. “Chinese trade unions make progress in 2010”. 2011. Available at: [<http://www.acftu.org.cn/template/10002/file.jsp?aid=622&keyword=membership>] Accessed 12 May 2015.

such matters unless actions by workers compel them to do so. Strikes in which workers call for a re-organisation or re-election of an enterprise trade union committee are particularly important as improved representation is germane to developing an effective system of collective bargaining. But it is not elections in and of themselves that are the crucial issue here. Rather, it is the sustainability of, and support for, the trade union committee that emerges from an election process.

#### 4. Significant Strikes

The famous 19-day strike in May 2010 by auto-parts workers and student interns on “vocational training” at the Nanhai Honda factory in Foshan kick-started a strike wave that generated wage increases of up to 40 per cent in and beyond Guangdong.<sup>55</sup> While most of the copy cat strikes that followed focused on pay, the Nanhai strike also demanded a re-organised trade union committee at the plant.<sup>56</sup> Following opposition to the strikers’ demands from management at the factory *and* the local district-level union – the latter leading to physical scuffles – more reform-minded union organisations located at a higher level stepped in and organised the election of a trade union committee. The higher union also facilitated talks between management and elected worker representatives that won a 32 per cent pay rise for the workers and a 70 per cent increase for the student interns.<sup>57</sup> Subsequent rounds of collective bargaining at the plant produced well-above-inflation pay rises. However, the union committee has since been consistently undermined by management with union elections restricted to small sections of 20 or 30 workers electing a union committee that is largely devoid of shop floor representatives.<sup>58</sup> Despite another short and victorious strike in 2013, key activists have left the factory and the previously groundbreaking union branch appears to have “retreated to the backwaters of the workers’ movement”.<sup>59</sup>

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<sup>55</sup> CHAN, C.K.C. and HUI, E.S.I. “The dynamics and dilemma of workplace trade union reform in China: The case of the Honda workers’ strike”. *Journal of Industrial Relations*. Vol. 54, n. 5, 2012, p. 659.

<sup>56</sup> CHAN, C.K.C. and HUI, E.S.I. “The Development of Collective Bargaining in China: From ‘Collective Bargaining by Riot’ to ‘Party State-led Wage Bargaining’”. *Op. Cit.*

<sup>57</sup> CHAN, C.K.C. and HUI, E.S.I. “The dynamics and dilemma of workplace trade union reform in China: The case of the Honda workers’ strike”. *Op. Cit.*

<sup>58</sup> CHINA LABOUR BULLETIN. “Five years on, Nanhai workers want more from their trade union”. 2015. Available at: [<http://www.clb.org.hk/en/content/five-years-nanhai-honda-workers-want-more-their-trade-union>] Accessed 20 May 2015.

<sup>59</sup> *Ibid.*

Nevertheless, the Nanhai strike is often referred to as a watershed moment in the emergence of China's labour movement.<sup>60</sup> There are two aspects of the strike that justify this status. First, the widespread global and local publicity that the strike received has finally put to bed the passive victim narrative that had underpinned much mainstream opinion of workers in China up until the strike. Of course, the growing confidence of Chinese workers to constrain capital by collective action had been discussed in academic papers, internal reports of both LNGO staffers, capitalist networks and the state as well as the occasionally insightful media report from approximately 2008 onwards. But the channelling of this energy into a globally supported 19-day strike that included the demand for an elected trade union committee eliciting the public support of senior trade union officials in Guangdong province was new territory.

Furthermore, as the momentum continued and the strikes spread, they generated an outcome significant from an ACFTU policy perspective and, more importantly, a labour movement perspective. The demands for representation at Nanhai did not suddenly emerge. Similar demands for improved accountability had been growing in Guangdong for some time. However, traditional regulatory conditions for direct elections of trade union representatives had been the *absence* of labour disputes or militancy of any form as well as restrictions on the size of factories.<sup>61</sup> But the dilemma facing the ACFTU was that the increase in strike action lent urgency to the need for a more proactive response from trade unions on issues of both representation and bargaining. In Guangdong, the combination of predatory capital, labour shortages, experienced LNGOs and increased strike activity persuaded reform-minded leaders in union federations at city and provincial level to allow contained experiments in the direct election of enterprise-level trade union representatives and processes of bargaining. While not unprecedented<sup>62</sup>, these initiatives go way beyond previous pilot projects elsewhere in China.<sup>63</sup> However, they are largely restricted to specific sectors where workers enjoy significant structural power having won significant pay rises and concessions. In terms of policy, union elections were no

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<sup>60</sup> CHINA LABOUR BULLETIN. *Ibid.* PRINGLE, T. "Reflections on Labor in China: From a moment to a movement". *Op. Cit.* CHAN, C.K.C. and HUI, E.S.I. "The Development of Collective Bargaining in China: From 'Collective Bargaining by Riot' to 'Party State-led Wage Bargaining'". *Op. Cit.*

<sup>61</sup> PRINGLE, T. *Trade Unions in China: the challenge of labour unrest. Op. Cit.* pp. 163-70.

<sup>62</sup> HOWELL, J. "All China Federation of Trades Unions beyond reform? The slow march of direct elections". *China Quarterly*. 196, 2008, pp. 845-63; PRINGLE, T. *Trade Unions in China. Op. Cit.* pp 160-82.

<sup>63</sup> PRINGLE, T. *Trade Unions in China: the challenge of labour unrest. Op. Cit.* pp. 163-70.

longer confined to safe havens of strike-free factories and came to be seen by more forward-thinking union officials as a way of improving the representative performance of the ACFTU. This change in policy was motivated in part by wanting to defend workers' interests but equally, if not more so, by the need to maintain broader stability via the reduction of strikes. As the former chair of the Guangzhou Federation of Trade Unions explained during a discussion in 2014:

We were concerned about the strike for two reasons. First, it was a manifestation of the power workers had acquired under the conditions of globalisation. Secondly, it was a threat to the upholding of social stability and economic development. These two things are closely linked and they are both a concern and challenge for our trade unions and their future development.<sup>64</sup>

Following further strikes and elections of trade union committees, the Shenzhen Federation of Trade Unions (SFTU) announced in May 2012 that direct elections for enterprise-level trade unions would be rolled out across 163 enterprises in the city with more than 1,000 employees. Though significant from a policy perspective and opening up organising space for activists in the workplace, there is overwhelming evidence to suggest that trade union elections are not as effective as strikes. Moreover, as the history of trade unions all too painfully demonstrates, employers can undermine elections by ensuring middle managers are elected rather than workers or by harassing, dismissing or promoting elected representatives as well as denying union time. In October 2013, university student researchers from the LINGO Student and Scholars Against Corporate Misbehaviour (SACOM) wrote an open letter to the SFTU. They claimed that only two out of the five factories their researchers visited clandestinely had effective union branches.<sup>65</sup>

Potentially more important is the impact strikes are having in generating both experience and leadership in an emerging labour movement that appears to be acquiring a momentum despite attacks on activists and a repressive environment. Two strikes in the shoe industry demonstrate my point. A significant strike shook the authorities of Dongguan city both in its scale of 40,000 workers and the intensity of ill-feeling toward management. The strike was ostensibly over the failure of management at the giant Taiwanese-owned Yue Yuen shoe plant to pay full social security premiums into workers' accounts. However, while this was definitely an issue, activist

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<sup>64</sup> Interview. Beijing, 14 December 2014.

<sup>65</sup> SACOM. "Power to the workers". 2013. Available at: < [<http://www.clb.org.hk/en/sites/default/files/Image/general/Chinese%20Student%20Trade%20Union%20Report%202013.pdf>] Accessed 12 May 2015.

blogs, interviews with veteran workers and LNGOs providing support revealed that the strike was also connected to frustration with overall pay levels. There was no direct bargaining with management and the strike was important due to its size, duration of almost two weeks and the symbolic message of shop-floor power and solidarity. As the strike died down in the face of management concessions and strong pressure on workers to return to work by the authorities, including the GFTU, one veteran worker predicted in an interview on a blog called Worker View Point that there “will be a big strike within half a year and there will only be one demand – a raise of at least 30 percent. Workers can’t live on 2,300-2,400 Yuan!”<sup>66</sup> The impact and lessons of the strike, in particular the need for accountable representatives and collective bargaining re-emerged not at Yue Yuen, but bore fruit at a much smaller shoe factory approximately 40 miles away.

The capacity of workers to elect and re-elect bargaining representatives was illustrated by a series of strikes and negotiations at the Lide Shoe Factory. The initial dispute was triggered in April 2014 by concerns over the factory’s planned relocation and subsequent attempts by management to force workers to sign new contracts in order to avoid social insurance arrears dating back to 1995.<sup>67</sup> During the following six months, increasing numbers of the 2,500 workers at Lide took part in three strikes, the last involving 1,000 workers in December 2014. The time between April and December was used by workers to acquire training in collective bargaining, electing representatives and organising with support from local LNGOs. During the third strike, workers’ representatives immediately set about organising a solidarity fund and a social media blog as well as appointing picket marshals and media coordinators. Arrests of workers, issues with accountability and frequent bargaining in bad faith by management<sup>68</sup> eventually led to a five-night and six-day picket of the factory gates by 300 workers and their representatives in April 2015 to prevent management from moving equipment and goods to another location.<sup>69</sup> Following meetings with Lide and local government representatives, Lide agreed to pay all outstanding social insurance payments and pay relocation compensation in accordance with the law. The New Citizen Movement’s

<sup>66</sup> 工评社. ‘与裕元一位老工人的深度访谈’. Available at: < [\[http://blog.sina.com.cn/s/blog\\_ed2baf420101wdoo.html\]](http://blog.sina.com.cn/s/blog_ed2baf420101wdoo.html) Accessed 2 May 2015.

<sup>67</sup> CHINA LABOUR BULLETIN. “Shoe factory workers show collective bargaining is already a reality in Guangdong”. 2015. Available at: [\[http://www.clb.org.hk/en/content/shoe-factory-workers-show-collective-bargaining-already-reality-guangdong\]](http://www.clb.org.hk/en/content/shoe-factory-workers-show-collective-bargaining-already-reality-guangdong). Accessed 20 May 2015.

<sup>68</sup> LIDE UPDATE 28. Available at: [\[http://www.weibo.com/p/1001603843556757369247\]](http://www.weibo.com/p/1001603843556757369247) 2015. Accessed 23 May 2015.

<sup>69</sup> See ‘利得工人集体维权行动升级 300 多工人雨夜集体保护’. Available at: [\[http://www.weibo.com/p/1001603834006134222688\]](http://www.weibo.com/p/1001603834006134222688) Accessed 22 May 2015.

website referred to the victory as an historic breakthrough in terms of solidarity building and collective bargaining as well as a significant breakthrough for the labour movement in Guangdong's Pearl River Delta.<sup>70</sup> This said, the focus group discussions I attended with four – and this has to be said – “inspiring” women organisers from Lide in the aftermath of their victory also revealed the challenges for the future evolution of a labour movement growing from below. Chief among them is the industrial upgrading in Guangdong province that was at least in part behind the Lide decision to relocate and downsize. All the organisers I spoke with had taken the redundancy pay outs they had won through struggle rather than offers of re-employment with due seniority of up to 19 years in the case of one organiser. Two of them said they would work with the LNGOs that had offered assistance throughout the struggle. One was not sure and a fourth planned to help run her son's business. The trend of experienced workplace representatives leaving workplaces – often due to dismissal – following a dispute will likely continue against a background of relocation and closures arising from increasing diversity in capital flows to other provinces or abroad and an ongoing drop in exports. While the experience of such leaders and organisers is unlikely to be entirely lost, the labour movement would gain more from their ongoing presence *in* the workplace, negotiating and constraining capital, ensuring union accountability and building sector-level networks. Training from the outside is no substitute for representation and experience on the inside.

### Conclusion

I have argued that when viewed through a labour relation lens, China's “exceptionality” fades somewhat. It is replaced, or perhaps upstaged, by the growing militancy of a working class that is beginning to constrain capital. Also in sharp focus are the efforts by the party state to neutralise an emerging labour movement. Its strategy has included attempts to slow the rate of informalisation with legal reforms, notably via the Labour Contract Law; and experimentally, via toleration of accountable collective bargaining between workers' representatives and employers – albeit in what often amounts to factory “closure bargaining”. In cases of annual collective bargaining, both state union and capital have moved to head off the potential for accountable collective bargaining. They have generated further militancy by taking back representation, to various degrees, under ACFTU control. This happened at Honda Nanhai factory and in the auto sector in general.

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<sup>70</sup> NEW CITIZENS' MOVEMENT. ‘利得工人集体维权经验小□’. Available at: [<http://xgmyd.com/archives/17147>]. Accessed 25 May 2015.



Nevertheless, what is new and most significant in this scenario is the emergence of a layer of workers' representatives, collective bargaining representatives and organisers who are acquiring significant experience due to the sheer frequency of strikes. This small group does not directly challenge the ACFTU but instead focuses almost entirely on collective bargaining and organisational skills in the workplace. Its members have so far survived the state's more recent attempts to intimidate, co-opt and in some cases imprison them in order to reduce their influence. Their ability to continue to have an impact on the ongoing evolution of China's labour relations and labour movement will depend on the party state not resorting to more comprehensive repression and equally important, the continuing frequency of strikes.

# The strike as a challenge to the North and to the South<sup>1</sup>

*Hermes Augusto Costa and Hugo Dias*

## **I**ntrouduction

Historically, the strike represented a sign of resistance to the mechanisms of oppression generated by capitalism, becoming common in Europe and in the United States in the late nineteenth century and the first decades of the twentieth century.<sup>2</sup> Its general features involve “forms of struggle, coercion and power in which a group of workers collectively stops working to enforce economic, social and/or political demands that matter to those directly concerned and/or others”.<sup>3</sup> Thus, as a way of struggling for change in the unbalanced power relation between capital and labor, the strike consolidates itself as a mechanism for labour democracy. Today, however, it is called into question in different geographical, social and political contexts, as well as in the context of adverse economic scenarios. This seems to happen not only in countries associated with the “Global North”, labelled as developed or part of hegemonic regional blocs (such as the European Union), but also in countries associated with the “Global South”, which includes both the least developed countries and emerging economies.<sup>4</sup>

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<sup>1</sup> A first draft of this text was presented in the international colloquium “Epistemologies of the South: South-South, South-North and North-South global learnings”, Coimbra, Faculty of Economics, 11 July 2014.

<sup>2</sup> SANTOS, Boaventura de Sousa. “A greve geral”. *Visão*, 17 de novembro 2011.

<sup>3</sup> VAN DER LINDEN, Marcel. *Workers of the world - Essays toward a Global Labor History*. Leiden: Brill, 2008, pp. 182-183.

<sup>4</sup> COSTA, Hermes Augusto; DIAS, Hugo. “A Greve e a democracia: desafios para o Norte e o Sul, *paper* presented at the International Colloquium “Epistemologies of the South: South-South, South-North and North-South global learnings”. Coimbra, Faculdade de Economia, 11 July 2014.

Considering that the important missions of regulating labor activity and boosting strike activity were attributed to trade unions, some starting questions guide our reflection in this text: considering the origins of trade unionism are found in the “Global North” – that is, in the context of the Industrial Revolution and the “national-industrial-colonial” era<sup>5</sup> –, is Northern trade unionism prepared to embrace “Global South visions” more prone to a postcolonial perspective? To what extent can the literature on “epistemologies of the South” – which maximizes the adoption of anti-capitalist, anti-colonial and anti-patriarchal attitudes<sup>6</sup> – be considered a reference guide to trade unionism in the “Global North”? What can the *old* trade unionism, accustomed to struggle (through strikes) to protect jobs and stabilize job sectors, learn from a *new* trade unionism that sees the strike as a way to incorporate precarious and unstable sectors of society? And to what extent, in the twenty-first century, can Southern trade unionism replicate the “good practices” that trade unionism in the North established during the “golden age” of the twentieth century?

We have no answer to these questions, nor do we have space in this article to debate each one in detail. However, our concern here is to try to understand to what extent the strike – as one of the instruments of trade union direct action – raises challenges to countries with different contexts, especially with regard to countries of the “South of the North” (such as Portugal) and countries of the “North of the South” (like India). Through this article, we intend to confront two realities concerning the phenomenon of the strike. However, we do not intend to present a comparative analysis, as we understand that Portugal and India are two countries with very different historical, geographical, socio-political and cultural dimensions. Similarly, the characteristics of the labour market, the role of trade union actors and labour law, among other factors, probably have more features that separate than unite the two. In any case, we are interested in seeking a rapprochement that can function as a mutual learning process between the two countries, as this can also demonstrate the challenges facing labour market actors (trade unions, workers, society movements) both in the North and in the South.

It is therefore useful to provide an abbreviated set of elements to contextualize the two countries, which is what we do in the first part of the article. We propose using four framework elements of comparison: the

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<sup>5</sup> WATERMAN, Peter. *Recovering internationalism. Creating the new global solidarity: labour, social movements and emancipation in the 21<sup>st</sup> century* (E-Book). Helsinki: Into Publishing Books, 2012.

<sup>6</sup> SANTOS, Boaventura de Sousa; MENESES, Maria Paula (eds.). *Epistemologias do Sul*. Coimbra: Almedina, 2009.

system of industrial relations; the post-democracy processes of strike activity; the context of austerity/liberalization; and changes in labour law.

In the second part of the article, we dedicate special attention to general strikes that took place in both countries. In the Portuguese case, five general strikes that occurred during the austerity period are examined. In the Indian case, the emphasis is on the general strikes of 28 February 2012, 20/21 February 2013, 5 December 2014 and 2 September 2015. The comparison between the strikes in the two countries will consider four topics for scrutiny, in line with the proposal of Costa, Dias and Soeiro.<sup>7</sup> First, the *strike as a regulating mechanism* – of “conflict institutionalization”<sup>8</sup> or a “safety valve”<sup>9</sup> – which seeks to anticipate the occurrence of a conflict in order to produce an adjustment between different parts of the system. Accordingly, in democratic societies, the publication of a strike notice (in order to legally anticipate the occurrence of a strike and publicly express the critical feeling that underlies the call for protest) and the definition of minimum services (as a way to safeguard the provision of essential services for the functioning of the economy) are two regulatory tools that can be used to monitor strike activity (calls for strike and actual strikes).

Secondly, we propose to look at the strike as the *product of a collective decision* built upon the “*sum of efforts*”. It is true that the decision to go on strike or not depends on each citizen and that there is no obtainment of a collective good without considering the rationality (selfishness) of the individual actor. However, despite this “paradox of collective action”,<sup>10</sup> the strike will be stronger if it is able to gather a greater number of trade union structures moving in the same direction, i.e., if it is able to promote a greater convergence of trade union sensibilities.

Thirdly, one must keep in mind *the scale* in the analysis of the strike. By analyzing social protests between 2006 and 2013 in 87 countries, Ortiz et al. pointed out that the struggle against austerity held a prominent place in such protests.<sup>11</sup> However, despite the global character of capitalism, since the legal regimes, wages, working conditions are defined within national borders, it is not surprising that national strikes are the most frequent. And

<sup>7</sup> COSTA, Hermes Augusto; DIAS, Hugo; SOEIRO, José. “As greves e a austeridade em Portugal: olhares, expressões e recomposições”. *Revista Crítica de Ciências Sociais*. n.103, 2014, pp. 173-202.

<sup>8</sup> DAHRENDORF, Ralf. “Elementos para uma teoria do conflito social”. In: *Sociedade e Liberdade*. Brasília: Universidade de Brasília, 1981 [1961], pp. 133-155.

<sup>9</sup> COSER, Lewis. *The Functions of Social Conflict*. New York: The Free Press, 1956.

<sup>10</sup> OLSON, Mancur. *A lógica da acção colectiva: bens públicos e teoria dos grupos*. Oeiras: Celta, 1998 [1965].

<sup>11</sup> ORTIZ, Isabel; BURKE, Sara; BERRADA, Mohamed; CORTÉS, Hernán. *World protests 2006-2013*. Initiative for Policy Dialogue, Columbia University, New York/Friedrich-Ebert-Stiftung, 2013.

yet, the national scale itself has different magnitudes, as is effectively demonstrated by the Portuguese and Indian cases.

Finally, we consider that any strike must be related to the achievement of *results*. As a conflict, the strike is also part of a process in which the ultimate goal is the achievement of results associated with previously defined objectives. However, the degree of achievement can happen in the short, medium or long term.<sup>12</sup> Yet, the fact that the achievement of strike goals is often not disclosed to the general public can enhance disbelief in their effectiveness.

## 2. Portugal and India: some background elements

Below are some elements providing a background to the Portuguese and Indian contexts.

### 2.1. Industrial relations and employment systems

In the Portuguese case, the main features of the industrial relations system can be summarized as follows: a pluralist and competitive model of the relationship within and among the representative organizations of labour and capital; strong politicization of collective bargaining regarding working conditions; linkages of trade unions and employer organizations to the system of political parties; the centrality of the state in the capital-labour relationship (despite the legal and institutional frameworks based on the principle of the separation of powers and on their capacity for self-regulation); increasing impediments to collective bargaining.<sup>13</sup>

<sup>12</sup> COSTA, Hermes Augusto. “Do enquadramento teórico do sindicalismo às respostas pragmáticas”. In: ESTANQUE, Elísio COSTA, Hermes Augusto (orgs.), *O sindicalismo português e a nova questão social: crise ou renovação?* Coimbra: Almedina, 2011, pp. 13-48.

<sup>13</sup> FERREIRA, António Casimiro; COSTA, Hermes Augusto. “Para uma sociologia das relações laborais em Portugal”. *Revista Crítica de Ciências Sociais*. 52/53, 1998/1999, pp. 141-171; Dornelas, António. “Perante a crise: problemas e perspectivas do emprego, do trabalho e da equidade social em Portugal”. *Finisterra*. 65/66, 2009, pp. 101-133; ESTANQUE, Elísio. “Trabalho, sindicalismo e acção colectiva: desafios no contexto de crise”. In: ESTANQUE, E. and COSTA, H. A. (orgs.), *O sindicalismo português e a nova questão social – crise ou renovação?* Coimbra: Almedina, 2011, pp. 49-62; COSTA, Hermes Augusto. “From Europe as a Model to Europe as Austerity: The Impact of the Crisis on Portuguese Trade Unions”. *Transfer – European Review of Labour and Research*. Vol. 18, n.4, 2012, pp. 397-410; FERREIRA, António Casimiro. *Sociedade da austeridade e direito do trabalho de exceção*. Lisboa: Vida Económica, 2012; LEITE, Jorge; COSTA, Hermes Augusto; SILVA, Manuel Carvalho da; ALMEIDA, João Ramos. “Austeridade, reformas laborais e desvalorização do trabalho”. In: Observatório sobre Crises e Alternativas (org.), *A economia política do retrocesso: crise, causas e objetivos*. Coimbra: Almedina/CES, 2014, pp. 127-188.

On the other hand, the employment system has been characterized by low productivity, low wages, a connection between employment and high labour intensity, low levels of education, qualifications and skills, lack of high quality employment and a high incidence of different forms of atypical work: fixed-term contracts, temporary work, part-time work and work in the informal economy (estimated to represent about 25% of GDP).

In turn, in the Indian case, if a political vision of a planned mixed economy lasted until the end of the 1980s, since the beginning of the 1990s, specifically since 1991, the introduction of neoliberal policies in the country became a reality, emphasizing deregulation, reducing the role of the public sector, and creating opportunities for private investment and direct foreign investment. One of the structural features of the Indian labour market is the high percentage of the workforce in the informal sector. Although in principle Indian labor laws cover all sectors of activity, there are provisions that exclude a large amount of the workforce.

At the trade union level, there is a historical division based on political, ideological and regional cleavages that has hindered their recognition as social partners and their access to regulatory bodies (Indian Labour Conference and Planning Commission). There are eleven trade union confederations and tens of thousands of trade unions – with the most relevant in terms of membership being those who are closer to the Hindu nationalist party BJP – seven of which meet the requirements set by the ILC.<sup>14</sup> Of these, only SEWA (Self Employed Women’s Association) has sought to organize workers in the informal sector.<sup>15</sup> Nevertheless, divisions and sectionalism have especially hindered the possibility of joint action and the production of significant impacts on the living conditions of the working class.

## 2.2. *The legacy of democratic transition*

Despite intense strike activity between the late nineteenth century and the first decades of the twentieth century – 4,636 strikes were registered between 1871 and 1920<sup>16</sup> – the long Portuguese dictatorship (which lasted 48 years) constituted a strong brake on strike activity because strikes were prohibited. Indeed,

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<sup>14</sup> In 2011, four conditions for the recognition of trade union confederations were set: a minimum of one million members; spread over at least eight states and a minimum of four sectors of activity; and with a presence in rural areas. BHOWMIK, Sharit. “The Labour Movement in India: Fractured Trade Unions and Vulnerable Workers”. *Rethinking Development and Inequality*. Vol. 2, 2013, p.89.

<sup>15</sup> Ibid.

<sup>16</sup> TENGARRINHA, José. “As greves em Portugal: uma perspectiva histórica do século XVIII a 1920”. *Análise Social*. vol. XVII, 67-68, 1981, pp. 573-601.

Trade unions were permitted, but – through legislation – unique, with compulsory registration, with forced quotas, with a very well-divided territorial structure, with representation by profession as a certifying entity of professional qualifications, with controlled elections and the need of governmental approval of the members of governing bodies.<sup>17</sup>

Hence, freedom of collective bargaining was absent and strikes were even considered a criminal offense.<sup>18</sup>

Only with the end of the dictatorship and the resulting democratic transition (on 25 April 1974) did strikes strongly reemerge in Portuguese society. The second half of the 1970s witnessed the period of the greatest collective mobilization, which occurred under the influence of a classist discourse that advocated the overcoming of capitalism. In turn, in the first half of the 1980s strikes were aimed at defending “the achievements of April” and destabilizing the right-wing and centrist governments.<sup>19</sup> Meanwhile, the accession of Portugal to the European Economic Community (1986), a moment that coincides with the institutionalization of social dialogue with the participation of trade unions, marked a strong downward trend in the number of strikes (only reversed in 1989, with 307 strikes and 296,000 strikers involved), reaching a record low of 99 strikes in 2007, involving about 29,200 workers.<sup>20</sup> Only since the end of 2010, with the outset of austerity, a new intensification of the forms of social protest and strike activity has been witnessed.

In the Indian case, the trade union movement arose during the period of British colonial rule. The first Indian trade union federation was founded on 31 October 1920 (AITUC - All India Trade Union Congress), having had a decisive role in mobilizing the support of the workers for the liberation struggle. During this historical period, the trade union movement remained united, but after independence (in 1947) it underwent a process of fragmentation. Consequently, the trade union movement was affected by fragmentation processes caused by ruptures in the political party system,

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<sup>17</sup> ALMEIDA, F. J. Coutinho de. “O papel e as funções do sindicato nos diversos países europeus”. *Questões Laborais*. n.7, 1996, p. 32.

<sup>18</sup> COSTA, Hermes Augusto. *Sindicalismo global ou metáfora adiada? Os discursos e as práticas transnacionais da CGTP e da CUT*. (PhD Thesis in Sociology). Coimbra: Faculdade de Economia, 2005; On the role of strikes in Portugal in the twentieth century, see VARELA, Raquel; NORONHA, Ricardo; PEREIRA, Joana Dias. *Greves e Conflitos Sociais no Portugal Contemporâneo*. Lisboa: Edições Colibri, 2012. On the broader role of strikes from a conceptual and historical perspective, see in particular chapter 9, VAN DER LINDEN, Marcel. *Workers of the world - Essays toward a Global Labor History*. Op. Cit.

<sup>19</sup> STOLEROFF, Alan. “A crise e as crises do sindicalismo: há uma revitalização possível?” In: VARELA, Raquel (org.) *A segurança social é sustentável. Trabalho, Estado e segurança social em Portugal*. Lisboa: Bertrand, 2013, p. 231.

<sup>20</sup> COSTA, Hermes Augusto; DIAS, Hugo; SOEIRO, José. “As greves e a austeridade em Portugal: olhares, expressões e recomposições”. Op. Cit., p.185.

initially at the national level, but from the late 1960s also at the regional and community levels. Thus, inter-union rivalries, at certain times, took on more intense contours than the conflicts between trade unions and employers. In terms of labour regulation, the state has built a complex and bureaucratic legal system that, although in theory would protect workers, in practice relied too much on lengthy disputes in the judicial system and created obstacles to trade union activity. These aspects, together with the low degree of attention devoted by trade unions to the huge informal sector typical of the Indian labour market, led to their inability to play a key role in structuring labor conflicts.<sup>21</sup>

### 2.3. Austerity and liberalization process

In the Portuguese context – especially following the adoption of austerity policies – and in the Indian context – especially after the intensification of liberalization in the 1990s – the processes of conflict have increased. In Portugal, the bailout plan signed on May 2011 between the Portuguese government and the *troika*, i.e. the International Monetary Fund (IMF), the European Central Bank (ECB) and the European Commission (EC), has produced huge negative impacts, generating by itself increased strike activity: strengthening of asymmetries in labor relations; increasing precarious forms of employment and of unemployment; fostering the loss of autonomy of social partners, especially trade unions, who were placed in an even more subordinate position; increasing tension in relations between the actors of industrial relations (including the labour field); increasing asymmetries, particularly between high-income and low-income classes, and in the relationship between public and private sectors; creating a sharp drop in household purchasing power; further impoverishment of the productive sector; no reduction of the competitiveness deficit of enterprises.<sup>22</sup>

<sup>21</sup> BHOWMIK, Sharit. “The Labour Movement in India: Fractured Trade Unions and Vulnerable Workers”. Op. Cit.

<sup>22</sup> FERNANDES, António Monteiro. “Uma estranha decisão”. *jornal Público*, 20 June 2012; REBELO, Glória. “Tempo e condições de trabalho”. *jornal Público*, 6 April 2012; GOMES, Pedro Botelho. “Uma bomba atômica social?”. *jornal Público*. 24 June 2012; COSTA, Hermes Augusto. “Wage Cuts in the Portuguese Public Sector: The Negative Effects of a Court Decision on Labour Relations”. *Transfer – European Review of Labour and Research*. Vol. 18, n. 2, 2012, pp. 229-231; COSTA, Hermes Augusto. “From Europe as a Model to Europe as Austerity: The Impact of the Crisis on Portuguese Trade Unions”. Op. Cit.; COSTA, Hermes Augusto. “Do contexto das reformas laborais às respostas do campo sindical”. *Cadernos do Observatório sobre Crises e Alternativas*. N. 4, 2015, pp. 1-18. COSTA, Hermes Augusto; DIAS, Hugo; SOEIRO, José. “As greves e a austeridade em Portugal: olhares, expressões e recomposições”. Op. Cit., LEITE, Jorge; COSTA, Hermes Augusto; SILVA, Manuel Carvalho da; ALMEIDA, João Ramos. “Austeridade, reformas



In India, the assault on labour rights took place even prior to the liberalization period that started in 1991. According to Hensman:

the bulk of labour legislation deliberately excludes informal workers – defined as workers either in small-scale unregistered establishments (in India referred to as ‘the unorganized sector’) or as workers in irregular employment relationships – and this provides employers with a variety of ways to evade these laws: splitting up an establishment into small units which are supposedly independent of each other, creating artificial breaks in employment so that workers never attain permanent status, employing large numbers of contract workers on site who are controlled by labour contractors and therefore do not appear on the payroll of the company, or subcontracting production to smaller workplaces. Although in theory informal workers have the right to organize, in practice the lack of legal recognition of their work – or even of their status as workers – makes it almost impossible to organize without being dismissed. And once dismissed, they have no access to legal redress, because there is no legal recognition of their employment or even their existence as workers.<sup>23</sup>

Parallel to austerity and liberalization, labour law itself was the subject of transformations, as shown below.

#### 2.4. Signs of change in labour law

In line with the austerity measures imposed by the *troika*, several changes to Portuguese labor law were introduced, namely through Law 23/2012 (August 2012). These changes have generated negative effects on the labour market: a company can now choose who to dismiss in situations of job extinction; dismissal for unsuitability became broader-reaching; reductions to overtime pay were introduced; individual working-time accounts (*bancos de horas*) were created; severance pay in the case of dismissals was reduced; vacation days were reduced; the number of public holidays was cut; the Labour Inspectorate (ACT/*Autoridade para as Condições de Trabalho*) reduced its controls since firms are no longer required to submit their working-time schedules or agreements on working-time exemptions, etc..<sup>24</sup>

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laborais e desvalorização do trabalho”. Op. Cit.

<sup>23</sup> HENSMAN, Rohini. “Labour and Globalization: Union Responses in India”. *Global Labour Journal*. Vol. 1, n. 1, 2010, p. 116. [<http://digitalcommons.mcmaster.ca/globallabour/vol1/iss1/7>]

<sup>24</sup> COSTA, Hermes Augusto. “From Europe as a Model to Europe as Austerity: The Impact of the Crisis on Portuguese Trade Unions”. Op. Cit.; LEITE, Jorge; COSTA, Hermes Augusto; SILVA, Manuel Carvalho da; ALMEIDA, João Ramos. “Austeridade, reformas laborais e desvalorização do trabalho”. Op. Cit.

In India, the most recent attempts to change labour legislation pointed towards the destabilization of stable sectors, with the proliferation of fixed-term contracts and precarious work, and the shift of certain segments of the workforce to informal sectors of the economy as a result of restructuring and productive subcontracting. One of the main attempts to reform labour law occurred during a BJP-led government between 1998 and 2004, which generated the first united response by the trade union confederations. The creation of the Trade Union Joint Action Committee (TUJAC), which organized a series of protest events that culminated in the general strike of 25 April 2001, proved to be key to a winning strategy that blocked this legislative change.<sup>25</sup>

But the main problem remained the extent of the informal sector. In 1991, before the implementation of neoliberal measures, from a workforce of about 317 million, 91.5 per cent worked in the informal sector. According to recent data, this proportion rose to 93 per cent of a total of 470 million workers. Although in absolute terms the Indian economy has absorbed over 8 million workers in its formal sector over this time-span (from 27 million in 1991 to 35 million today), the workforce employed in the informal sector increased at a faster pace.<sup>26</sup>

The trade union movement has struggled to cope with the neoliberal offensive. In the formal sector, trade unionism has progressed because of the possibility – albeit with high employer resistance – of trade union recognition within the workplace. This is in fact the main difference between the formal and informal sector and one of the reasons why employers favour precariousness and are interested in pushing the workforce to the informal sector.<sup>27</sup> Overall, trade union density is around five per cent of the workforce and collective bargaining covers only one per cent.

In short, both countries have witnessed favourable conditions for an increase in strike activity. At the same time, however, there is a tension between the increasing potential for protest and the fear of job loss or employer persecution resulting from participation in a strike.

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<sup>25</sup> HENSMAN, Rohini. “Labour and Globalization: Union Responses in India”. Op. Cit., p.119.

<sup>26</sup> SRIVASTAVA, Ravi. “Employment Conditions of the Indian Workforce and Implications for Decent Work”. *Global Labour Journal*. vol.3, n.1, 2012 [<https://escarpmentpress.org/globallabour/article/view/1113>]; RUNNING, Katherine. “The liberalisation of India's labour laws within the National Manufacturing Policy 2011: where business power and social policy collide”. *Journal of International and Comparative Social Policy*. Vol. 31, n. 2, 2015, pp. 192-208; BHOWMIK, Sharit. “The Labour Movement in India: Fractured Trade Unions and Vulnerable Workers”. Op. Cit., pp. 86-87.

<sup>27</sup> BHOWMIK, Sharit. “The Labour Movement in India: Fractured Trade Unions and Vulnerable Workers”. Op. Cit. p.94.

### 3. The role of general strikes

General strikes are, roughly speaking, forms of protest that call for a wide and diverse mobilization. As proposed by Tengarrinha,<sup>28</sup> general strikes involve “workers of a profession”, “workers of one or more jobs in a region or across a country” and “workers of all professions in a country”. Let us then see what happened in the Portuguese and Indian cases in recent years, taking into consideration the criteria set out in the introduction of the article, namely, the strike as a mechanism of regulation; the strike as a product of a collective decision, that is, a “sum of efforts”; the role of the scale of analysis; and the question of achieving results.

#### 3.1. General strikes in Portugal

Since November 2010, Portugal has registered five general strikes, all lasting one day: three general strikes jointly called by the two trade union confederations, the General Confederation of Portuguese Workers (CGTP), of communist orientation, and the General Workers' Union (UGT), of socialist and social-democratic orientation: 24 November 2010; 24 November 2011; and 27 June 2013. Plus, two general strikes called by the CGTP: 22 March 2012, and 14 November 2012.

*i) The regulatory process and its causes.* All general strikes witnessed a regulatory exercise that had austerity as its backdrop. Incidentally, that could be noticed in the claims of the reasons for the strike. The general strike of 24 November 2010, was called against the cuts between 3.5 and 10 per cent (from January 2011) in the salaries of civil servants with incomes above 1,500 euros. The strike of 24 November 2011 was convened against the intensification of austerity that, in addition to wage cuts, manifested itself in cuts to holiday and Christmas subsidies to civil servants in 2012, as well as a 50 per cent surcharge on individual income tax and the Christmas bonus. In contrast, the general strike of 27 June 2013 was called to denounce measures laid down in a “Fiscal Strategy Document” designed to operationalize state reform, including: retirement at 66 years of age; increase in the civil service's weekly working hours from 35 to 40 hours; reduction in vacation time; increased contributions to ADSE (health subsystem for civil servants); redundancies for 30,000 civil servants; a special mobility scheme, etc.

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<sup>28</sup> TENGARRINHA, José. “As greves em Portugal: uma perspectiva histórica do século XVIII a 1920”. Op. Cit., p. 579.

In between, there were other general strikes called only by the CGTP: the general strike of 22 March 2012 in response to the social dialogue agreement (entitled *Commitment for growth and employment*) between the government, employer confederations and the UGT on 18 January 2012; and the general strike of 14 November 2012, which was called only by CGTP, but involved another 30 unions from UGT and was considered an Iberian-level trade union strike with a day of action organized by the European Trade Union Confederation (ETUC). In Portugal, that strike was a response to the draft state budget for 2013, which implied a sharp rise in the tax burden.

*ii) Sum of efforts and overcoming of antagonistic trade union attitudes.* Even bearing in mind the absence of joint action in the 2012 general strikes, it is essential to point out, especially with regard to the three joint general strikes, that they represented an obvious sum of efforts and unification of intention within an often divided trade union sphere. And to reinforce the importance of this joint union action, a figure deserves to be highlighted: the 24 November 2010 strike was, at that moment, the second joint general strike in the history of trade unionism in Portugal (only in March 1988 did the CGTP and UGT join forces in a general strike, at that time against changes to labor legislation). Indeed, this sum of efforts (which always had austerity as its backdrop) also paved the way for joint general strikes in the public sector, with the most recent one recorded on 13 March 2015.

*iii) The scale of the strike.* As suggested earlier, public and media space is predominantly structured on a national scale and framed by questions of discourse and of identification with national political communities. And the definition of scale cannot, in itself, be dissociated from the targets of the conflict. Now, even though general strikes meant a joint appeal to the whole of society, its national scale was marked by attacks on Portuguese civil servants, which in Portugal number 600,000 people. It is obvious that the national scale of the strikes had repercussions not only regarding the working conditions of civil servants (through wage cuts and increased working hours, to give two examples), but also in the private sector, with the reductions of compensation for dismissals.

*iv) Results?* The Portuguese government remained virtually inflexible in their drift to austerity. Accordingly, results achieved by the trade union structures as a consequence of the general strikes are questionable. Incidentally, in 2012, a study conducted in Portugal<sup>29</sup> noted

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<sup>29</sup> REBELO, José; BRITES, Rui. *A comunicação sindical da CGTP-IN*. Lisboa: CGTP, 2012, pp. 75-77.

that, despite the significant increase in the number of strikes and workers on strike, only 4.6 per cent of demands were accepted, 8.6 per cent were partially accepted and 86.7 per cent were refused. General strikes in Portugal were an important instrument of social critique of government policies and against the advocates of austerity policies in Europe. However, it can be said that since January 2015, the reimbursement of 20 per cent of the salaries of civil servants was no more than a “Pyrrhic victory” in a context where austerity remains and the public debt (supposedly in the name of which sacrifices are dictated) has continued to increase. And as if that was not enough, certain sectors of the labour movement do not always see other European examples of general strikes – as is the case with Greece, with more than twenty general strikes in a period of five years – as an inspiration, especially because they do not associate such strikes with the achievement of concrete results.<sup>30</sup>

### 3.2. *General strikes in India*

In recent years, India witnessed four general strikes – 28 February 2012, 20 and 21 February 2013, 5 December 2014, and 2 September 2015, which corresponded to a new dynamics of joint action around the TUJAC and to the incorporation, at the heart of their agenda of demands, of the issues related to informal employment.

*i) Regulation on behalf of concrete demands.* In their regulatory procedures, these strikes evidenced a diverse set of grievances and allowed for the expression of specific claims: the struggle against the rising cost of living; denouncement of the continued increase in fuel prices; demands for job creation; end of the divestment in strategic public enterprises; demands for pensions and social security for all workers in the informal sector, an overwhelming majority in India; and combating the insecurity that prevailed throughout the country.

*ii) Sum of efforts in trade unionism and in society.* Currently, there are some positive signs that the fragmentation and lack of influence of trade unionism is starting to be reversed. The struggles and strikes for the recognition of trade unions in the workplace have increased. This was the case with the strikes in Maruti Suzuki, the largest car producer in the country, in 2011, but also at other plants such as Honda, Nokia, General Motors and Holol.<sup>31</sup>

<sup>30</sup> COSTA, Hermes Augusto; DIAS, Hugo; SOEIRO, José. “As greves e a austeridade em Portugal: olhares, expressões e recomposições”. Op. Cit., p.181.

<sup>31</sup> BHOWMIK, Sharit. “The Labour Movement in India: Fractured Trade Unions and

More importantly, the eleven trade union confederations began to develop a strategy of unity of action around the TUJAC. They organized a mass demonstration on 20 February 2011 that brought together 500,000 workers in Delhi against rising food prices. Given the government's insensitivity to the demands of trade unions, they have since then changed tactics and decided to call the four nationwide strikes listed above.<sup>32</sup>

These shutdowns have had a significant impact in some sectors, and at the centre of their demands were the issues of informal and precarious work. Cumulatively, they interrupted (at least circumstantially) the typical divisions among trade union organizations and managed to join the formal and organized sector of the economy with the informal sector (precarious sectors, which accounted for about 75 per cent of protesters). More recently, the current right-wing government, elected in May 2014 and led by Prime Minister Narendra Modi, proposed the Labor Code on Industrial Relations Bill 2015, which aims to further remove workers' rights that are considered as the main hurdle for expanding employment. This proposal, still awaiting approval from parliament, caused the call for the general strike of 2 September 2015.<sup>33</sup> Unity was broken by the retreat of the trade union confederation linked with the ruling party, but the continuity of this unity strategy does not seem to be in jeopardy.

*iii) A gigantic scale.* As with the Portuguese case, we look back on a national scale. However, the almost 100 million people<sup>34</sup> who joined the protest in 2013 are really impressive figures and give the phenomenon an expression of continental dimensions, in a country where the labour force is around 500 million workers. On the other hand, the scale of the problems reported nationally was indicative of a broader agenda, where the role of public employees, unlike in the Portuguese case, was not the "spark" for the protest. In fact, despite the fact that one of the demands of the 100-million-strong strike was the end of the privatization of the public sector, the problems related to the informal economy – such as setting a minimum

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Vulnerable Workers". Op. Cit, p. 94; NOWAK, Jörg. "Worker's Unrest in Automobile plants in India: Strikes and Occupations at Maruti Suzuki and Bajaj Auto in 2011/12 and 2013". *Global Labour Column*, 66 [<http://column.global-labour-university.org/>]

<sup>32</sup> BHOWMIK, Sharit. "India: Nation-wide Strike on 20-21 February 2013". *Global Labour Column*, Number 125, 2013, [[http://www.global-labour-university.org/fileadmin/GLU\\_Column/papers/no\\_125\\_Bhowmik.pdf](http://www.global-labour-university.org/fileadmin/GLU_Column/papers/no_125_Bhowmik.pdf)]; BROWNE, David. "Trade unions go on the offensive in India". *Equal Times*, 2014 [<http://www.equaltimes.org/trade-unions-go-on-the-offensive?lang=en#.VRWSIVdgiGR>].

<sup>33</sup> BHOWMIK, Sharit. *The Labour Code on Industrial Relations Bill 2015: Tough times ahead for labour in India*. *Global Labour Column*, 2015 [<http://column.global-labour-university.org/2015/06/the-labour-code-on-industrial-relations.html>].

<sup>34</sup> MENON, Sindhu. When 100 million Indians went on strike. *Equal Times*, 2013 [<http://www.equaltimes.org/when-100-million-indians-went-on-strike#.VRW6W1dgiGQ>].

wage for all workers and the extension of coverage of the pension and social security systems to the informal sector – ended up dominating the whole protest.

*iv) The strength of immediate impacts.* The weight of the scale of the conflict (mentioned before) cannot be disassociated from the impact generated by the conflict. Regardless of the fact that there were no short and medium-term results as a government response to the demands of the protesters, it is possible to notice a set of immediate results revealing that the general strike, in itself, caused major consequences that did not go unnoticed. Again, the strike of 2013 can be seen as an example: it affected vital sectors of the economy; the banking system collapsed for two days; the public and private sectors were united in the transport sector (e.g. taxis stopped and nearly 100.000 government buses stayed in the garages); there were notorious actions of solidarity between different sectors (e.g. solidarity from teachers, post offices closed in many states). All of these impacts have put trade unions at the forefront of the construction of emancipatory strategies (articulated with the wider society); they are not just a closed-off social actor.

#### **4. Concluding remarks**

In this paper we analyzed the place of strikes – particularly general strikes – in two countries that are very distinct geographically, politically, economically and culturally. Our purpose was to confront divergent and convergent dynamics of strike activity that arise either from the “South of the North” (Portugal) or from the “North of the South” (India). We briefly recover here some ideas highlighted in our analysis.

It is ascertainable that, from the point of view of employment relations, the Indian case is characterized much more by the dynamics of informality, although in both the Indian and the Portuguese cases, there is a concern to tackle the burden of insecurity in the so-called “stable” labour relations. On the other hand, both in Portugal and in India, trade union structures are historically divided, though general strikes have been an opportunity for joint action, which in the Indian case went beyond the trade union universe. The moment of democratic transition in Portugal and of construction of independence in India were also times of opportunity for boosting conflictual strategies. Yet, especially in the last five years, strikes have been on the agenda because of austerity in the Portuguese case, and due to processes of liberalization in the Indian case.

General strikes are directed at the state mainly when it implements changes that correspond to a profound transformation in wage relations. It may seem contradictory that the use of general strikes occurs at a time of further weakening of trade union strength, with the risk of low support, substantial costs and low efficacy, but the use of general strikes emerges exactly due to the absence of other means of influencing political power. Also, the results of general strikes are a way to measure their effectiveness. At least in the Portuguese case, it was not really possible to claim victory despite the strong support for most of the general strikes held. In this regard, the Indian case appeared to show, at least regarding the immediate impact of a general strike, the force of a broad mobilization and hence the idea of paralyzing the country due to a massive protest. Be that as it may, however, in one case as in the other, the context of austerity and liberalization pushed general strikes into a more defensive strategy rather than an offensive one.

In fact, rather than offensively targeting the achievement of better wages, working hours or working conditions,<sup>35</sup> general strikes in both countries aim to defensively prevent more austerity and privatization by governments and employers,<sup>36</sup> i.e., to reject setbacks to the social structure.

Nevertheless, general strikes increasingly involve more impoverished citizens, whose dignity has been undermined. In this sense, they are also strong reactions against the loss of rights that so many generations of workers fought for and that appeared to be irreversible achievements; the unequal distribution of wealth (translated in the forfeiture of wages and pensions, the increases in working hours, work intensity and taxation, and bailouts in favour of the wealthy); the neoliberal common sense that claims that there is no alternative to the impoverishment of the majority and the emptying of democratic choices; and the disproportionate power of financial capital.<sup>37</sup>

Therefore, the construction of a trade unionism strongly oriented to the world of precarious and informal work comes across as urgent. The influence it may have in the future will depend on its capacity, as a strategic actor, to undertake substantial changes in its modus operandi, whether it is

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<sup>35</sup> TENGARRINHA, José. “As greves em Portugal: uma perspectiva histórica do século XVIII a 1920”. Op. Cit., p.580.

<sup>36</sup> NOWAK, Jörg; GALLAS, Alexander. “Mass strikes against austerity in Western Europe – A strategic assessment”. *Global Labour Journal*. vol. 5, n. 3, 2014, p.312. [<https://escarpmentpress.org/global labour/article/view/2278>].

<sup>37</sup> SANTOS, Boaventura de Sousa. “A greve geral”. *Visão*, 17 November 2011; COSTA, Hermes Augusto. “O sindicalismo em questão em tempos de austeridade”. In: OLIVEIRA, Roberto Vêras de; BRIDI, Maria Aparecida and FERRAZ, Marcos (eds.). *O sindicalismo na era Lula: paradoxos, perspectivas e olhares*. Belo Horizonte: Fino Traço Editora, 2014, pp. 183-210.



dealing with resistance to change and bureaucratic accommodation or with expanding its democratic governance.<sup>38</sup> From this point of view, trade union action in countries such as India has been always confronted with the reality of informal work. And despite the fact that trade unions might not have always dealt with it in the most adequate way, they have entered a strategic reorientation that will eventually bear fruits in the near future.

In this regard, the North has much to learn from the South. Trade unionism in the North was built around the Fordist wage relation. The deconstruction of social pacts and institutional arrangements of this capital-labour compromise led to, on the one hand, the loss of institutional strength and, on the other, to a decreased capacity of collective mobilization. Trade unions, in the “post-democratic” era<sup>39</sup> do not have close partners in positions of political power, which also impels them to a strategic reorientation in an increasingly adverse context of action. In this situation, they recover approaches to collective action belonging to their historical arsenal of contention and seeking to build social alliances with the most marginalized and precarious sectors of society. Only in this way can trade unions aspire to represent, not only in their interior, but especially outside, the new morphology of the working class.<sup>40</sup> A closer look of Portuguese unions to the position of the Indian trade union movement in strike processes would allow them to learn some lessons regarding unity needed for joining the public and the private sectors in protest, as well as for joining formal associative structures (trade unions) and organizations of informal workers.

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<sup>38</sup> COSTA, Hermes Augusto. “Do enquadramento teórico do sindicalismo às respostas pragmáticas”. Op. Cit.; ESTANQUE, Elísio. “Trabalho, sindicalismo e acção colectiva: desafios no contexto de crise”. Op. Cit.

<sup>39</sup> CROUCH, Colin. *Post-Democracy*. Cambridge: Polity, 2004.

<sup>40</sup> ANTUNES, Ricardo. *Adeus ao trabalho? Ensaio sobre as metamorfoses e a centralidade do mundo do trabalho*. São Paulo: Cortez, 1995.

## Understanding the Bombay textile strike of 1982-1983

*Ravi Ghadge*

The last two decades of the twentieth century saw a renewed interest in labour studies and social history in India. This was largely due to the dramatic transformations in the social worlds of Indian labour as a result of deindustrialization, characterized by a decline in traditional factories and increasing informalization and casualization of labour in the old industrial centers of India such as Bombay, Ahmedabad, and Kanpur.<sup>1</sup> The dismantling of old industrial sites and the subsequent disintegration of working-class communities have bolstered elitist visions of the restructuring of these industrial cities, further intensifying social conflicts in these regions. In this context of a “vanishing history,” recent studies have focused on recovering the “lost worlds” of Indian labour by giving voice to workers’ past and contemporary struggles to preserve their culture and identity.”<sup>2</sup> This paper takes a small step in that direction by understanding the predicament of textile workers in Bombay through their narratives of a strike that changed their lives dramatically.

### Background of the Bombay Textile Strike of 1982-83

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<sup>1</sup> For more details see MAHAPATRA, Prabhu. *Situating the Renewal: Reflections on Labour Studies in India*. Noida: V. V. Giri National Labour Institute, 1998; JOSHI, Chitra. “On ‘Deindustrialization’ and the Crisis of Male Identities”. *International Review of Social History*. Vol. 47, 2002, pp. 159-175.

<sup>2</sup> See JOSHI, Chitra. *Lost Worlds: Indian Labour and its Forgotten Histories*. New Delhi: Permanent Black, 2003; ADARKAR, Neera and MENON, Meena. *One Hundred Years, One Hundred Voices: The Mill Workers of Mumbai*. Calcutta: Seagull Books, 2004.

More than three decades have passed since the 1982-1983 Bombay textile strike (henceforth, the strike).<sup>3</sup> Although the strike had a far-reaching impact on Indian labour, it has not received the attention it deserves. It was one of the longest strikes in India's working class history and possibly the most decisive in terms of its impact on the textile industry and workers in Bombay. The enormity of the strike can be seen by the number of workers who participated in it (almost 200,000) and by their collective effort to stay out of the mills for more than eighteen months. It is estimated that prior to the strike there were about 232,000 workers employed in the industry. The failure of the strike led to a massive retrenchment of workers. Almost 106,000 workers lost their jobs. It is perhaps the biggest job loss in the history of modern industry in India.<sup>4</sup> It is believed that most of these workers joined the ranks of the "new poor" in the unorganized industry, working as casual labourers or in the decentralized power loom sector.<sup>5</sup>

The literature on the strike is scarce. There have been two in-depth studies on the strike.<sup>6</sup> Both provide an elaborate account of the immediate context of the strike. There is research that deals with specific dimensions of the strike such as, leadership, technology, and alternative interpretations of the strike.<sup>7</sup> However, there is no single sociological study on the strike that situates it within the broader social history of working-class formation in Bombay or which assesses broader implications of the strike from the workers' perspective.

Based on the analysis of oral testimonies of sixteen respondents associated with the textile mills in Bombay, this paper adds to the existing literature in several ways: first, it provides an interpretive analysis of the strike from the workers' perspective. Second, against the tendency of studying the strike

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<sup>3</sup> Bombay was officially renamed Mumbai in 1995 by the right wing Hindu supremacist Shiv Sena-led government. In the paper, I alternatively use Bombay or Mumbai based on the specific historical period discussed.

<sup>4</sup> SANGHATANA, Lokshahi Hakk. *Murder of the Mills: An Enquiry into Bombay's Textile Industry and its Workers*. Mumbai, 1996.

<sup>5</sup> The Indian labour market is classified into the organized (formal) and the unorganized (informal) based on the size of the establishment, the legal benefits that are provided to the workers, and their ability to organize into unions. However, in practice it is difficult to sustain the distinction between the formal and informal sector.

<sup>6</sup> BAKSHI, Rajni. *The Long Haul: The Bombay Textile Workers Strike of 1982-83*. Bombay: Build Documentation Center, 1986; VAN WERSCH, Hubert. *The Bombay Textile Strike 1982-83*. Bombay: Oxford University Press, 1992.

<sup>7</sup> On the question of strike leadership see PENDSE, Sandip. "The Datta Samant Phenomenon-I". *Economic and Political Weekly*. 16, 16, 1981, pp. 685-697; PENDSE, Sandeep. "The Datta Samant Phenomenon-II". *Economic and Political Weekly*. 16, 17, 1981, pp. 745-749. On the issue of technology, see DUTTA, R. C. "New Technology and Textile Workers". *Economic and Political Weekly*. 34, 39, 1999. For an alternative interpretation of the strike, see TULPULE, Bagaram. "Bombay Textile Workers' Strike: A Different View". *Economic and Political Weekly*. 17, 9, 1982, pp. 17-18.

only as an event based on its immediate socio-economic exigencies, the paper historicizes the strike within the broader process of working-class formation in Bombay. Finally, the paper discusses the broader implications of the strike on the working-class community in Bombay and the subsequent economic restructuring of the city.

The paper is organized into three sections. The first section—Bombay and the Social Worlds of the Textile Workers—historicizes the strike, taking into account the process of working-class formation in the city. The second section—Exigencies on the Eve of the strike—discusses the immediate socio-economic context of the strike. These two sections provide the historical context to understand the oral testimonies of workers that come later. The third section—Workers’ Perceptions of the Strike—is based on the analysis of interviews of workers and residents of the mill district and discusses their views on the strike. It provides an opportunity to subjectively understand the *meanings* produced by those who were affected by the strike in addition to the numbers.

### **Bombay and the Social Worlds of the Textile Workers**

By the end of the nineteenth century, Bombay had established itself as an important commercial center in India. According to Chandavarkar, an eminent historian of Bombay, the city “handled about two-fifths of the total value of India’s foreign trade, 70 percent of the value of the coastal trade and the bulk of the re-export trade to the Persian Gulf and to the Arab and East African ports”.<sup>8</sup> Bombay was essentially a late-seventeenth century extension of the East India Company’s (the company that was given exclusive trading rights over India under the British crown) trade with Gujarat (a state north of Bombay). There were three stages of the growth of Bombay. The first stage (mid eighteenth century) characterized the establishment of the British naval-commercial domination of the west coast of India. The second stage (early nineteenth century) was associated with the political domination and the establishment of the Bombay presidency. The third stage was the phase of industrial domination. Following the industrial revolution in England, India had become an exporter of raw cotton and a market for imported mill-made cotton. This enabled the

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<sup>8</sup> CHANDAVARKAR, Rajnarayan. *The Origins of Industrial Capitalism in India: Business Strategies and the Working Classes in Bombay, 1900-1940*. Cambridge: Oxford University Press, 1994, p. 25.

indigenous entrepreneurs of Bombay to set up their own cotton mills utilizing cheap labour from the coastal regions in the western part of India.<sup>9</sup>

Although Bombay has widely been understood as a “colonial port city,” some scholars are not comfortable with this category. Chandavarkar argues, “even though Bombay was in part a product of its imperial connection and owes its origin and early growth to the colonial settlement, its commercial and industrial development was shaped increasingly and in important ways by its place within the internal economy.”<sup>10</sup> Within this internal economy, the commodity markets were linked to wider relations of production and exchange in the hinterland. Therefore, textile mills of Bombay were increasingly dependent on the domestic market. Therefore, Bombay was not solely a product of colonialism, but its growth could be attributed to an interaction of global and regional/local processes.

The labour for the new mills in Bombay was recruited from migrants from the adjoining rural hinterland. Despite years of working in the city, these migrants maintained close ties with their original villages and through their cash remittances contributed to the reproduction of the rural economy. These rural links were vital for the workers’ social reproduction in the city and in their labour struggles, as we shall see later in the context of the strike.

The development of the mills from the mid-nineteenth century onwards engendered a unique working-class culture, giving rise to a distinct social and physical space in the central parts of the city, which came to be known as Girangaon or the “village of mills.” The workers who came to work in the mills were largely male rural migrants from the adjoining regions of Konkan on the west coast (mainly Ratnagiri) and the Deccan Ghat or plateau region in central India (mainly Pune, Satara, Sangli, and Nashik).<sup>11</sup> Also, those who migrated were not landless rural poor, but essentially small landowners who saw migration as an opportunity to earn “quick money” to strengthen their rural power base.

To meet their material needs of employment, credit, and housing in the city, the workers had to rely on social networks of caste, region, and kinship. This further necessitated the maintenance of their rural links. The persistence of rural networks led to the formation of various popular working-class institutions in the city. These institutions included *gramastha*

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<sup>9</sup> KOSAMBI, Meera. “British Bombay and Marathi Mumbai: Some 19<sup>th</sup> Century Perceptions”. In: PATEL, SUJATA and THORNER, Alice (eds.). *Bombay: Mosaic of Modern Culture*. Bombay: Oxford University Press, 1995, pp. 4-5.

<sup>10</sup> CHANDAVARKAR, Rajnarayan. *The Origins of Industrial Capitalism in India*. Op. Cit., p. 29.

<sup>11</sup> Maharashtra is a leading industrial state in India and Mumbai (earlier Bombay) is its capital.

*mandals* (village organizations), *krida mandals* (sports clubs), *vyayam shalas* (gymnasiums), *khanavalis* (community dining houses), and *path pedis* (credit societies). These institutions catered to the various material and cultural needs of the textile workers in the city.<sup>12</sup>

Some scholars have understood the social relationships engendered by these institutions as “pre-capitalist,” which would dissolve with deeper industrialization. The presence of these “pre-capitalist” features was also linked to workers’ commitment (or their lack of) to the factory.<sup>13</sup> However, later studies have shown that these informal institutions were an integral part of capitalist development in Bombay and a clear-cut distinction between the social organization of the neighborhoods and the workplace is untenable. The interdependent relationship between the workplace and the neighborhood was best exemplified in recruitment practices. The authority of the “jobber” (the recruiting middleman between the workers and the mill-owners) in the neighborhood was based on his/her power to negotiate with the management at the workplace. Similarly, his importance at the workplace was based on the influence among the workers in the neighborhood mediated through ethnic ties based on caste and region.<sup>14</sup> Further, the neighborhood-workplace complementarity was also important in terms of the organization of work in the industry. Extensive use of casual labour and its increased insecurity forced mill workers to maintain social connections beyond the workplace, either in the village or in the urban neighborhood. These networks were particularly vital in times of industrial conflict to generate additional resources.

It was not just the material needs of workers that constituted their neighborhood connections. Leisure and political activities contributed to the development of the “street” and neighborhood as a social arena. Workers’ patronage helped sustain a unique working-class theater in Girangaon. The mill theater has been in existence for over a century now and is associated with *tamasha*, a folk-art form of Maharashtra. The theater of Girangaon was considered as the “poorest of poor” theaters, where the playwright was often not paid and performances took place on makeshift stages during festivals and competitions.<sup>15</sup> The theater was not only a means of popular entertainment, but also served as a tool of political education as it engaged well with the lives of the workers. The regional content of the theater helped

<sup>12</sup> CHANDAVARKAR, Rajnarayan. *The Origins of Industrial Capitalism in India*. Op. Cit.

<sup>13</sup> MORRIS, M. D. *The Emergence of an Industrial Labour Force in India: A study of Bombay*. Bombay: Oxford University Press, 1965; MYERS, C. A. *Labour Problems in the industrialization of India*. Cambridge. Harvard University Press, 1958.

<sup>14</sup> CHANDAVARKAR, Rajnarayan. *The Origins of Industrial Capitalism in India*. Op. Cit.

<sup>15</sup> GOKHALE, Shanta. “Rich Theatre, Poor Theatre”. In: *Bombay: The Mosaic of Modern Culture*. Op. Cit.

forge community bonds among the workers. It is believed that until the 1960s and 1970s, there were 10-12 baris (performances) of tamasha everyday in theaters such as the Hanuman Theater in the Lalbaug area in Bombay. The baris commenced in the evening as the mill workers began to trickle in after work and would go on until late in the night. It was because of these popular institutions that Girangaon derived its exclusive working-class identity in the city.

### **Exigencies on the Eve of the Strike**

The Bombay textile industry provided employment to approximately one million people in 1982. As an organized workforce, it occupied second place (15.1 percent) after food products (16.8 percent). In the two decades preceding the strike, the number of factories rose from 8,233 in 1961 to 16,594 in 1981. This reflected a similar rise in employment in the organized sector from nearly 800,000 to nearly 1.2 million workers during the same period. However, there was an emerging trend toward newer capital-intensive industries in terms of productive capital, which far outweighed the growth of employment in the organized sector. The productive capital of these new industries grew from Rs. 6 billion (\$ 857 million) to Rs. 700 billion (\$ 77 billion).<sup>16</sup> This fact is closely tied to the increasing relative deprivation experienced by textile workers as the wages of the workers in the new industries were more than twice that of the textile workers.

In the early 1980s, the annual average income of workers in the chemical industry was 14,367 rupees (\$1,596) compared to 7,120 rupees (\$791) for textile workers. The chemical industry contributed to nearly twenty-five percent of the total value added in Maharashtra state, whereas its share of employment was a mere nine percent (as compared to twenty-four percent for the textile industry). The per capita worker output in the chemical industry was about 308,000 rupees (\$42,222) as compared to 46,000 rupees (\$5,111) in the textile industry.<sup>17</sup>

The growth of capital-intensive industries also involved a shift of production to the capital-intensive power loom sector, which led to a loss of market share of the labour-intensive mills. While the overall production of cotton cloth produced in the cotton mills remained stagnant during the period 1970-1987, the production of blended cloth from the power looms kept growing since the 1970s. Even during the strike, the production of

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<sup>16</sup> VAN WERSCH. *The Bombay Textile Strike, 1982-83*. Op. Cit., pp. 18-19. The approximate conversion in parentheses is based on the exchange rate of the specific period discussed. One dollar was roughly equal to 7 rupees in 1961 and 9 rupees in 1981.

<sup>17</sup> Ibid.

synthetic man-made fiber grew due to the decentralized power loom sector, which was unaffected by the strike.

Along with declining share of production, the technological backwardness of textile mills further aggravated the situation. The obsolescence of the machinery used in spinning, weaving, and processing has been identified as the one of the main causes of the “sickness” of the industry.<sup>18</sup> However, this technological backwardness is not new. The mill owners refused to modernize their mills forcing them to eventually close in order to redirect their investments into other profitable enterprises. In this context, the strike proved to be a blessing-in-disguise for the mill owners. Two years after the strike, the government announced a New Textile Policy (NTP) on 6 June 1985, paving the way for full-scale modernization of the industry.

The strike was called on 18 January 1982 and lasted for eighteen and half months. There were two main issues precipitating the strike. First, was the issue of bonuses and second, the disillusionment with the largely unpopular trade union—the Rashtriya Mill Mazdoor Sangh (RMMS) or the National Mill Workers Association.<sup>19</sup> As per the Bombay Industrial Relations (BIR) Act, only a recognized union (in this case the Congress-backed RMMS) could represent the interests of the textile workers.

Due to growing disillusionment with the RMMS, the textile workers approached Datta Samant, a popular trade unionist in Bombay, known for his legendary negotiating skills. Although Samant did not belong to the textile industry, his reputation as a hard bargainer in other industries (particular engineering industries) convinced the workers of his effectiveness as a mediator between them and the management. With initial reluctantance, Samant accepted his mediator role and formed his own union called Maharashtra Girni Kamgar Union (MGKU) or the Maharashtra Textile Workers Union in October 1981.

In the following sections, I present an empirical analysis of workers’ and Girangaon residents’ narratives on the strike. Their narratives must be

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<sup>18</sup> In India, the Sick Industrial Companies (Special Provisions) Act, 1985, commonly known as SICA was introduced to “determine sickness and expedite the revival of potentially viable units of closure of unviable units.” A company was identified as being “sick” when its “accumulated losses were equal to or more than its new worth.” In 1987, a Board for Industrial and Financial Reconstruction (BIFR) was set up to implement the provisions of SICA. Initially introduced to govern private companies, the BIFR brought public sector enterprises under its purview in 1991 after the introduction of the new industrial policy in 1991, which was part of a broader neoliberal economic reforms officially introduced in the early 1990s. For further details, see <http://www.bifr.nic.in/aboutus.htm>.

<sup>19</sup> VAN WERSCH. *The Bombay Textile Strike, 1982-83*. Op. Cit., pp. 18-19.



appreciated in conjunction with the preceding historical discussion on the working-class formation in Bombay.

### **Workers' Perceptions of the Strike**

#### *Data and method*

The data for this section consists of sixteen transcribed interviews (of thirty hours duration in total) made available through the Archives of Indian Labour.<sup>20</sup> The interviews were conducted from November 1999 to December 2000.<sup>21</sup> Among the sixteen respondents, twelve were men and four women. Eleven respondents were former mill workers. Out of the remaining five, two women were wives of former mill owners and three were residents of the mill district consisting of a noted poet, a tamasha theater owner, and a rangoli artist.<sup>22</sup> The respondents were all Marathi-speaking and came from three regions of Maharashtra—Konkan, Kolhapur, and Satara. On losing their jobs after the strike, a majority of the respondents were now working in the informal economy stitching and selling garments for a garment company, tailoring, and weaving.

There are some limitations in the data used for this study. First, as I did not conduct or translate the interviews, I have no control over the errors that occurred in the process of collection and translation. Second, as the conclusions are based on only sixteen interviews, they have limited generalizability beyond the scope of the study. However, the relevance of the study outweighs its limitations. Because the interviews are unstructured and detailed, they provide sufficient information for an interpretive analysis of the strike. Further, considering the paucity of research on subjective understanding of the strike, such a rare data set is definitely worth examining.

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<sup>20</sup> The archives are part of a larger oral history collection of the V. V. Giri National Labour Institute and Association of Indian Labour Historians. I would like to thank the institute for allowing me to use the data. The data is available online on the Archive's website (<http://www.indialabourarchives.org>). I would also like to acknowledge Mr. Hemant Babu and his team of researchers for conducting, translating, and transcribing these interviews.

<sup>21</sup> Each interview was relatively unstructured in nature and lasted approximately thirty minutes each. The interviews were conducted in Marathi (the official language of the Maharashtra state) and Hindi (India's national language). The interviews were later translated and transcribed into English.

<sup>22</sup> *Tamasha* is a traditional folk art form in the state of Maharashtra and a popular form of entertainment for the textile workers in the city. *Rangoli* is another folk art form in India that involves drawing designs on the floor using colored rice, dry flour, colored sand, and flower petals.

I used coding procedures of grounded theory as outlined by Strauss and Corbin for analyzing the interviews.<sup>23</sup> These procedures involve initial microscopic examination of the data based on open and axial coding to look for indicator-concepts, writing theoretical memos, and generating core categories through further selective coding. All the indicators, concepts, and categories generated during the coding process are highlighted by double quotes in the paper. In order to save space and to preserve the flow of the paper, I will not provide a detailed description of the coding procedures.

The process of selective coding of the interviews revealed five core categories or themes discussed by the respondents which I label as: 1) Expectations of the Strike and the Articulation of Demands, 2) Strategies of Survival During the Strike, 3) Analyzing Failure: State, Management, and the War of Attrition, 4) Loss of Livelihoods and Informalization of Work, and 5) Loss of Socio-Cultural Space. An overall graphical representation of the following analysis is presented in Figure 1 at the end of the paper.

### **1. Expectations of the Strike and the Articulation of Demands**

There were growing expectations surrounding the strike. This comes across in most of the interviews. These expectations arose out of the feelings of desperation, hopelessness, economic deprivation, and also hope instilled by past struggles. However, the feeling of desperation seems to be the most pronounced with workers feeling that there was no other option but to strike.

The interviews reveal that there were three factors that provided the context within which the expectations of the strike were created. First, the prior history of labour struggles of textile workers; second, the economic conditions on the eve of the strike and their experience of “comparative disadvantage” with regard to workers from other industries; and finally, the specific role played by the leadership of Datta Samant (see Figure 1).

It was in the textile industry that the earliest trade unions in India were formed. Due to their history of militant struggles, the Bombay textile worker was once regarded as the vanguard of the Indian labour movement. There had always been a tradition of indigenous shop-floor level organization among the workers. Even though one does not find a complete record of the total number of work stoppages that occurred in the mills, the first prolonged general strike in the Bombay textile mills took place in 1928.<sup>24</sup> The strike lasted six months. Prior to that in 1924, there had been a failed

<sup>23</sup> For more details, see STRAUSS, Anselm and CORBIN, Juliet. *Basics of Qualitative Research*. London: Thousand Oaks, 1998, pp. 55-71.

<sup>24</sup> BAKSHI, Rajni. *The Long Haul: The Bombay Textile Workers Strike of 1928-29*. Op. Cit.

two-month strike involving the issue of a bonus. There was another work stoppage in 1925.

A peculiar feature of the textile workers in Bombay was their ability to take initiative in organizing themselves during a strike, which led to the formation of unions *during* the strike. As a quote from a famous trade unionist S. A. Dange during a court trial reveals: “The strike was not our creation, but we were the creation of the strike. An organization had not brought about the general strike of 1928, but the strike had brought forth an organization”.<sup>25</sup>

The 1982-1983 strike had similar patterns. It is argued that both the strikes were “total,” in the sense that they elicited a near complete response from the workers. During both the strikes, the mill owners categorically refused to negotiate with the strikers. In 1928, it was the communists who were very active in the strike and in 1982 it was Datta Samant.

There was an air of desperation at the time of the 1982-83 strike and the workers were prepared to pay any price for the strike. Economic hardships partly explain this desperation of the workers. There was also a widespread feeling of “comparative disadvantage” that textile workers experienced with regard to other industrial workers. One of the respondents explains that it was the textile workers who built the city economically and created the national wealth based on which other industries came into being. Some workers also felt that the oldest industrial workers in India were being discriminated against. It is in this context that the workers’ expectations towards the strike grew. One of the respondents highlights this point in his response:

Textile workers were resentful of the fact that unlike workers in other industries in the organized sector, they could not hope for an increment...Benefits that were being given to workers in other industries were denied to the textile workers...They [the textile workers] were the oldest workers and they were being discriminated against. Workers wanted to fight.

However, the same respondent was also skeptical of the success of the strike as their work stoppage would be countered by a shift of production to the power looms.

The strike was not an adventurous act on the part of Datta Samant. It was supported by everyone. Now I think he made a mistake in not taking into account the fact that power looms had come up all over the state, and the weaving was done there by mill owners...Even when starting the strike

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<sup>25</sup> Ibid.

he should have taken note of this as the market did not suffer due to lack of cloth. The power looms were taking care of that demand.

Finally, leadership played a very important role in raising people's hopes for the strike. Dr. Datta Samant and his union MGKU played a key role in the strike. Dr. Samant did not belong to the textile industry. However, he was popular in other industries (especially the engineering industry). It was his ability to secure good compensation and settlements that drew the workers towards him. Therefore, he was considered to be a very influential trade union leader. In fact, it was the textile workers who approached him to lead the strike. The informants describe him as a "militant leader," "dynamic leader," "as someone who did things openly," and "as someone who could feel the problems of the poor." However, it was not leadership alone, but also a lack of alternate leadership that pushed the workers to look for leadership outside their industry. The workers in the mills were not happy with the recognized union in the mills, the RMMS. The BIR Act that governed the textile mills denied workers the right to affiliate with any other union than the one that was legally recognized by the textile industry. In this context, there was another rival union—Girni Kamgar Sena (GKS) or the Textile Workers Army (the trade union wing of the right-wing political party, Shiv Sena)—that was growing popular in the mill district. Some of the Konkani people workers approached the leader of the Shiv Sena Balasaheb Thackeray with their complaints as he too belonged to Konkani.<sup>26</sup> After this, the Shiv Sena started taking keener interest in the mills. However, the workers felt they were "back-stabbed" by the Sena as it isolated them at the very last minute. The Sena had called a one-day strike of the textile workers. However, the strike was called off at the last minute and the workers suspected that this was due to the economic and political nexus of the elite classes in Bombay. The disgruntled workers then approached Dr. Datta Samant to lead them. Most of the respondents describe how the workers "forced" Datta Samant to assume their leadership. In this context, one of the respondent states:

There was a meeting in which the workers brought pressure on Dr. Samant that the strike should commence right from tomorrow. Doctor was against it, but the people had decided. The workers called for a strike and Doctor was forced to take up leadership.

Workers' zeal in urging Datta Samant to assume leadership is further highlighted by another respondent when he says:

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<sup>26</sup> Konkani is a coastal region in the state of Maharashtra, and also a region from where many people migrated to work in the mills of Bombay.

Datta Samant had won an equally good wage hike in Empire Dyeing [a textile mill]. The workers decided that if we have to fight a decisive battle they would need a leader like Doctor Samant. So they decided to get him into the textile industry. Workers went to Dr. Samant, but he was not interested. He felt he could not be effective or solve the problem, given the BIR Act, the RMMS, the Congress government, and the mill owners and their strong nexus. But workers were adamant. They “gheraoed” [cordoned] him the whole day and night. So he had to agree.

Datta Samant had warned the workers that the strike would be a long drawn affair, however most of the respondents believed that the strike would be over “today or tomorrow.” Based on Samant’s reputation, workers shared the perception that he would deliver the goods in a short time. One respondent expresses this in the following manner:

At that time Doctor advised the workers not to go on a strike, all at once. He said the strike could go on for 4-5 years or could even take months. But the workers thought he would be effective and bring them victory, and so they rallied behind him and the strike happened. Doctor himself did not want the workers to go on strike, the workers themselves wanted to, and they did.

The strike started around the bonus issue. However, one of the respondents very articulately points out that there was much more at stake than just workers’ bonuses. He states:

The main issue was to scrap the BIR Act. That union recognition should be through elections. This was Doctor’s [Dr. Datta Samant] first demand. And then there was a demand for a wage hike of 150-250 rupees [sixteen to twenty seven dollars based on the exchange rate at that time] rupees in basic [salary]. Then there was the issue of the *badli* [contractual] workers to be made permanent.

Thus, we find that contrary to existing studies on the strike, there were multiple factors that influenced the workers to support the call for a strike. Some were immediate, having to do with the problems concerning the conditions related to organization, pay, and working conditions in the mills. However, the prior history of organized resistance in Mumbai and faith in good leadership also provided the workers the strength and hope to strike.

## 2. Strategies of Survival

Workers found it extremely difficult to survive the eighteen months of the strike (some even resorted to selling household items such as utensils to survive the strike). The union did its part in distributing food grains at the factory gate, but that was not enough. Some of the workers were forced to

leave the city in search of work. Some even went to Bhiwandi (an adjacent power loom town) for work. However, the different strategies of coping employed by the workers were based on the resources available to them. The workers who migrated from the Desh region owned small amounts of land in their villages and could go back their villages. Even after the strike, the strategies of survival of the workers were based on access to resources like land and social networks, a point highlighted by most respondents. One of the woman respondents mentions:

There is a difference between the workers who came from the Konkan and those who came from western Maharashtra—from Desh. They all went back to their villages because they had land there. But we, who were from Konkan, had to stay here.

The union of Dr. Samant also tried to help the workers out of their distress. Dr. Samant started touring the rural areas garnering support for the striking workers in the form of *prabhat pheris* (morning marches). People responded by giving food grains and money. One of the respondents explains the process of distribution of bags of food grains and money:

People from western Maharashtra responded enthusiastically and thousands of bags of grain would come daily into Mumbai. This would be sent to each zone and it would be distributed from there. The other unions owing allegiance to Doctor [Samant] in Bombay collected about three crore rupees [around \$330,000] for the textile workers. This was distributed for the children, for their fees and books and also for those who fell ill, for medical expenses.

Thus, these “pre-capitalist” rural networks were extremely important means that sustained workers’ resistance during the strike.

### **3. Analyzing Failure: State, Management, and the War of Attrition**

So what went wrong with the strike? One of the respondents argues, “the union that was responsible for the strike was also responsible for its failure.” The strike was initially called in eight mills. The idea was to “escalate the strike” if there was no change in the attitude of the government. However, over a period of time people realized that the demands were not been met and workers began to feel restless. It was perceived that if there was no participation from all the workers, the prospects of getting any demands were bleak. Dr. Datta Samant wanted “time to lobby,” but as the workers were growing restless he had to yield to their pressure.

There are mixed opinions as to why the strike dragged on for such a long period. None of the workers wanted nor expected the strike to last that long. Some respondents believed that the strike dragged on due to the tactics of a

joint effort of the management and the government. The mill-owners did not care much about the workers and were always looking for an excuse to get rid of workers. The strike was also an opportunity to close the mills and divest the money into other lucrative businesses. Some respondents argued that the Congress government at the center and in the state saw Datta Samant as a threat to their power due to his popularity. Therefore, they refused to act on the workers' demands.

The respondents discuss various strategies adopted by the management to break the strike. The legally recognized, but worker-estranged union RMMS, played an important part in breaking the inactivity of the workers. One of the respondents discusses how the RMMS tried to break the strike with the help of the police. The management of some mills resorted to police support in escorting workers to the mills. Moreover, the police even escorted strikebreakers to the mill gates in trucks. The management too tried to lure the workers with free food. One of the respondents informs that some workers even slept in the mills. According to him, there was no production in the mills. All that the workers would do is clean the machines and the departments. Some workers mention that the management even threatened workers with evictions from the mill residences in order to force the workers back to work. One of the workers states:

The trick used by the management was simple. They went to the quarters of the workers and told them—if you are not coming back to work get out of the chawl [working class tenement] and go where [ever] you like. The workers had no option but to go back to work. This way in each mill the owners broke the strike.

Most of the respondents believe that the first six months of the strike were “total”. No one went to work. However, they believe that “the strike was dragged on for too long” after that. The above respondent believes that the strike was prolonged due to the inability of the union to gain recognition through the BIR Act. He further shifts the blame of prolonging the strike away from Samant by explaining that he had no option but to keep the strike going and the fact that it eventually “had become a matter of prestige” for the workers.

There was also widespread “disillusionment” and “secrecy” surrounding the strike that proved detrimental to workers' mobilization. For example, a respondent says that “[w]e did not know that the strike was to begin on January 18.” The respondent only realized that the workers of the mills were on strike when he was stopped at the gates of the mill as he went to work the next day.

The effectiveness of the strike was also blunted by the fact that there were efforts from the Congress-affiliated Indian National Trade Union Congress (INTUC) with the help of the government to “call people to work.” A respondent describes in detail the manner in which the workers were escorted to the mill gates under excessive police security. Thus, according to him the first major strike-break was due to the INTUC and the Congress government itself. He says:

RMSS people were sent to the villages and with the help of the local Congress leaders they started to pressurize [sic] and bribe and threaten the workers to return to the mills. State transport buses were pressed into service and the workers were brought back.

Finally, the effect of attrition began to show after the sixth month. The workers, who stayed back in the city with the hope of resuming work after meeting their demands, began to go back to their villages. Some began to seek work outside the city.

#### **4. Loss of Livelihood and Informalization of Work**

It is difficult to estimate the exact number of jobs lost due to the strike. It is believed that around 100,000 workers were affected by the strike. The government estimates are much lower. The Kotwal Committee (constituted in 1986 to assess the impact of the strike) points out that close to 51,000 workers were dismissed after the strike and around 46,000 workers had not been paid their dues.<sup>27</sup> However, this number does not include people who either resigned, retired, or who had not been re-employed for other reasons.

The interviews provide us with details regarding the economic hardships that the workers and their families had to face after the strike. A woman employee discusses how the local businesses had been affected by the strike. She observes that the business of *khanawalis* (community dining homes) had to close down. Khanawalis was a very peculiar feature of the social life in Girangaon. Most men that migrated to Bombay in search of work in the textile mills left their families behind. They could not afford to sustain their families in the “big city.” They stayed in small rented rooms, usually ten to twelve people sharing a single room. Cooking was almost impossible in these small rooms and for this reason these dining homes were popular with the mill workers.

One of the male respondents compares the pre-and post-strike economic situation: “In those days the situation was good. They (workers) had some

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<sup>27</sup> VAN WERSCH. *The Bombay Textile Strike, 1982-83*. Op. Cit., p. 235.



money to spend. It was a period that mill workers bought things even for their neighbors. All festivals were celebrated properly”.

Later the same respondent compares the above situation to the post-strike period through a very moving story:

There was an incidence of death in one of the workers’ family. But the family had no money to perform the last rites. Finally the worker sold his wife’s *mangal sutra* [necklace made of black beads symbolizing marriage] to arrange the money. People were that desperate.

The selling of the mangal sutra evokes a strong emotional response in the Indian context. In India, many Hindus consider the mangal sutra as the most visible and sacred ornament of married women. In this case, the selling of a mangal sutra highlights not only their extreme poverty, but also a sense of “personal loss” or humiliation on the part of the male worker for not being able to preserve the sanctity of marriage.

Many of the workers who lost their jobs were pushed into the informal economy. Some worked as vendors selling vegetables or flowers, while some turned to small-scale self-employed business activities such as selling *pan* (betel-nut leaves). Some women took up work as domestic help in houses. One of the women respondents survived by selling *sarees* (traditional garment worn by Indian women) door to door. These facts point to the increasing informalization of work in Bombay, following the strike. Informalization of work has far reaching consequences not only on the living conditions of the workers, but also on their ability to organize. The traditional trade unions have either been reluctant or unable to organize such people in the informal economy, leaving the fate of such workers to the vagaries of the market.

## 5. Loss of Socio-Cultural Space

The strike also had a significant impact on working-class culture in Girangaon. This issue was linked to the transformation of the physical landscape of the mill district. A woman respondent on being asked to describe whether she observed any changes in Girangaon after the strike responds by saying, “yes, earlier there were a lot of workers. When the mill shifts got over, there used to be a lot of crowd as if it was some kind of a *padyatra* [pedestrian rally]. But now the number has reduced considerably. Not many men on this road”.

The decline in the sheer visibility of workers is a powerful metaphor of the post-industrial transformation in the city. Gone are those days where one would see crowds of workers lined up at the factory gates. Does this “non-

visibility” have anything important to tell us? This is especially important in case of Mumbai, which is trying to project itself as a “global” or “world class city” by promoting the service sector at the expense of manufacturing.

The failure of the strike has also had important implications for the contemporary economic restructuring of Mumbai. In 1995, Bombay First, the think-tank of the Bombay Chamber of Commerce and Industry sanctioned McKinsey (a prominent consultancy firm) to produce a report known as the *Bombay First Report*.<sup>28</sup> The report envisions Mumbai as a “world class city” in the mould of such cities as Shanghai, Hong Kong, and Singapore. The report bears testimony to the shift in the priorities of urban policy that is now geared toward protecting the interests of the wealthy at the cost of the poor urban working classes in the city.<sup>29</sup> With a decline of the textile industry in Mumbai, there is a push to redevelop closed mills into commercial office space for new service-based industries.

The liberalization policies introduced in the early 1990s have further accelerated the process of deindustrialization and spatial re-organization of the city.<sup>30</sup> The contemporary economic restructuring of the city marginalizes the physical and cultural space of people associated with the textile industry. A tamasha theater owner highlights this point as he laments:

Now there are hardly any mills running and very few textile workers...There used to be tamashas and plays performed there, starting late in the night when workers were free from work....but now our audiences have almost become extinct. The tamasha artists are unable to survive. This artistic tradition is likely to die out.

The question of space has assumed central importance. The association of space and culture is also brought out by one of the poet-performers associated with the working-class movement in the city. He says:

Mills should not close. They are the pride of the city. They talk of utilizing open land, but why can't they remain open? Why does it bother you I want to ask them! We don't want to leave this area. We don't want money; we want to live on the land of our forefathers, our traditions. I have lived here for 63 years and my father lived here before me.

The economic losses due to the strike also resulted in familial instability, loss of children's education, and loss of prestige. One of the women

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<sup>28</sup> Bombay First was modeled after London First, a partnership of business enterprises that promoted London as one of the leading cities of the world.

<sup>29</sup> For more details, see GHADGE, Ravi. “Globalizing Marginality: Spatial Politics of 21st Century Mumbai”. *The Journal of Interdisciplinary Policy Research and Action*. Vol. 4, n.1, 2010, pp. 54-81.

<sup>30</sup> Structural adjustment primarily implies the changing importance and role of different sectors of the economy in the process of development.

respondents narrates how the lack of financial contribution to the joint family during the strike affected the relationship between the family members. She also mentions that some of the workers who faced acute financial crisis also contemplated committing suicide.

The children of the mill workers held particularly strong opinions against the strike. They considered the strike responsible for their misery. For some respondents, the fact that women were now “forced” to work outside their homes was itself a kind of humiliation. One respondent mentions that his son could not complete his education, and his wife started working. His daughter too could not be educated and was “forced” to work. The strike and the financial loss associated with it also affected the lives of the workers in other ways. According to the above respondent it became difficult for the workers to get their sons and daughters married. He says:

The textile worker gets about Rs. 4000 (about eighty dollars per month) or so, and a sweeper in a big engineering company gets almost that much! And textile workers used to be number one workers in the city. Now no one wants to give their daughters away to a textile worker or his son.

Some workers had become fatalistic toward their future. On being asked whether he had any memories associated with the strike, or any particular incident or event that he would like to talk about, the respondent summed it all up by saying: “We have come to the conclusion. There is no hope. That is the only memory.”

### **Conclusion**

This paper demonstrates the utility of historicizing the analysis of the Bombay Textile Strike of 1982-1983 within the broader process of working-class formation in Bombay and the specific conjuncture of the strike. It illustrates that it is inadequate to understand the strike solely on the basis of the social context of the work place. The unique historical formation of the working class in Bombay highlights the fact that a clear distinction between the working-class neighborhoods and the work place is untenable. Historically, there always existed a symbiotic relationship between the working class neighborhoods and the work place. This inter-relationship was evident in the history of recruitment of labour in Bombay, the survival of workers in the city, as well as in their ability to organize and resist the excesses of capital.

The analysis of the strike (see Figure 1) confirms the above thesis. The strike was a culmination of a number of factors. In addition to socio-economic factors, the immediate causes of the strike also included workers’

perceptions about past working-class struggles and the role of leadership. The workers' strategy of survival during the strike highlights the role of rural connections of the workers, which can only be understood within the context of the particular process of migration and adaptation of the workers in the city. The rural connections of the workers helped them sustain prolonged periods of industrial unrest as most of the workers returned to their villages to await the outcome of the strike. The "totality" of the strike owed much to this. However, we also find that this "buffer zone" of rural connections was not available to some of the workers involved in the strike due to lack of adequate resources in their rural settings. I hypothesize that it is these workers that were most adversely affected by the strike. They were either forced to find alternate informal work in the city or find work outside the city. The strike had a far-reaching impact on the lives of those associated with the textile industry. The losses were not only economic. The strike and the subsequent policies of economic restructuring destabilized the working-class culture of Girangaon as the fate of these communities was intricately tied to the physical space of the neighborhoods and the mills.

Future critical studies on labour conflict in India should take a more holistic approach in understanding industrial conflict taking into account not only economic issues of the workplace, but also sociocultural factors beyond it. Further, they should also include interpretive accounts of actors (particularly workers) involved as this yields a more multi-dimensional analysis of the conflict that can help in more effective formulation of policies addressing the problems of industrial workers and their families.

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## **Abstracts**

***Dossier: Mass strikes in the global crisis.*** Coordinated by Alexander Gallas and Jörg Nowak

Hugo Dias and Lídia Fernandes

### **The November 2012 general strike and anti-austerity protests – analysis from the Portuguese case**

Opposition against austerity was the cornerstone of the protests which took place since 2010. In Portugal, the first signs of mobilization came from the trade unions, although the emergence of new actors allowed the movement to widen its social influence. This article reflects on the Portuguese contribution to the transnational general strike on the 14 November 2012 in order to explore its insertion in this period's contentious politics, not only regarding its transnational dimension – within the European Union framework –, but also concerning the relationship between different actors – particularly between trade unions and new political actors. While facing a political agenda aimed at implementing major changes to the regime of labour and social policies, the unions encountered increased challenges regarding the use of their ultimate instrument of struggle – strikes –, especially with consideration to its bases of power, which were already quite weakened ahead of this cycle of mobilization.

**Keywords:** 14 November 2012; Portugal; general strike; transnational collective action; austerity

Maria Gorosarri and Luciole Sauviat

### **The Uneven Development of (Mass) Strikes in France and Spain**

This article analyses the strikes in recent years against the dominant government strategies of crisis management in France and Spain. It argues that there is a marked difference in the dynamics of the strikes in these two



countries: whereas the stoppages in Spain came close to a mass strike in a Luxemburgian sense with new forms of working class consciousness and organisation emerging, the same cannot be said of France.

Stefanie Hürtgen

**Authoritarian Defence of the German Model? Conflicts on the freedom of collective bargaining and militant strikes in the German railway sector**

This article argues that the recent strike wave in the railway sector can be seen as a reflection of a deep-seated social crisis in the country. This crisis was born out of the deregulation and fragmentation of labour relations, and is reflected in the privatisation and marketisation of the German railway system. The “small” train drivers’ union GdL successfully led the opposition against the changes and did so by using the strike weapon. When the Merkel government responded by cracking down on the right to strike for smaller unions with a new law, the GdL managed to bypass this crackdown.

Jörg Nowak

**Class Coalitions or struggles within the working class? Social unrest in India and Brazil during the global crisis**

Here we compare strikes and their links to political protest movements in Brazil and India. We highlight the fact that large strike waves in the automobile industry (India) and the construction and public sectors (Brazil) preceded the emergence of political protest movements with significant middle-class involvement. These movements were directed against corruption and also, in the Brazilian case, against public transport fare hikes, the state of the public sector and the government in general. A key difference was that workers in India were more politicised than workers in Brazil; however, for the street protests, the reverse was true: Whereas the Indian activists just lambasted corruption, the Brazilian movement had a broader political agenda.

Luis Campos and Bruno Dobrusin

### **Labour conflict in Argentina and Brazil: challenging an alliance?**

The rising number of labour conflicts in Argentina and Brazil over the recent years is a sign of changing times for the dominant pattern of labour-state relations in both countries during the last decade. This paper addresses the issue of labour conflict analyzing the available data on both countries, and providing a broad explanation of the reasons behind the rising conflicts in the field of labour over the last three years.

**Key Words:** Trade Unions; Strikes; Latin America

Tim Pringle

### **Strikes and labour relations in China**

Over the last decade, strikes have emerged as an important instrument of workers' agency in China. This paper discusses the evolution of strikes, the demands of strikers, the constraints and opportunities for labour militants who organise them as well as the main ways in which they are resolved. In doing so, I present an analysis of their impact on the evolving framework for labour relations. I argue that the combination of a rise in the frequency of strikes and the institutional particularities of this framework including the absence of trade union plurality and no tradition in collective bargaining has generated two connected outcomes. On the one hand, it has generated efforts by the Party-led All China Federation of Trade Unions (ACFTU) to improve its representative credibility and on the other hand, the strikes have facilitated the emergence of an alternative layer of workers' representatives often with the support of labour NGOs. While careful to avoid directly challenging the monopolistic position of the ACFTU, the ongoing militancy suggests that the numbers of such representatives and their influence on labour relations is likely to increase.

**Key words:** strikes, ACFTU, workers' representatives, elections, labour relations.

Hermes Augusto Costa and Hugo Dias

### **The strike as a challenge to the North and to the South**

The authors take up the theme of the "general strike", which is discussed in several of the other articles, and do so by engaging in a comparison across the North/South divide that focuses on Portugal and India. In their view, the general strike is a defensive form of struggle in the neoliberal age chosen

because other means of influencing political decision-making are absent. In the Portuguese case, the strikes took place against the backdrop of the imposition of austerity through governments and the troika; in the Indian case, the background was the liberalisation of the economy and the insensitivity of governments to union demands in a situation of general economic insecurity. All in all, Costa and Dias say that unions in the north have much to learn from unions in the south in the sense that they have to reach out to marginalised and precarious sectors of the population.

### **Miscelanea**

Ravi Ghadge

#### **Understanding the Bombay Textile Strike of 1982-1983**

The Bombay Textile Strike of 1982-1983 is a watershed moment in India's labour history. It was one of India's longest strikes involving more than 200,000 workers who collectively stopped work for more than eighteen months. However, there are relatively few studies that have analyzed the strike from the workers' perspectives. Based on an interpretive grounded theoretical analysis of interviews of former textile workers and residents of the textile mill district, this paper analyses the meanings produced by the workers surrounding the strike within a long-term historical process of working class formation in Bombay. The paper supports the idea that a critical analysis of labour conflicts in India must go beyond the workplace, taking into account the social context of the neighborhood.

**Key words:** Bombay Textile Strike, Mumbai, Working Class, Girangaon, India