

<https://www.internationalviewpoint.org/spip.php?article4731>



India

# India on Strike

- IV Online magazine - 2016 - IV501 - October 2016 -

Publication date: Monday 10 October 2016

---

**Copyright © International Viewpoint - online socialist magazine - All rights reserved**

---

### **In the midst of a right-wing onslaught, Indian workers carried out one of the largest strikes in world history.**

On September 2, 180 million Indian workers participated in a massive one-day strike that extended across the country and engaged employees in every economic sector. Likely the largest general strike in world history, it demonstrated the power of the Indian working class, which is increasingly underpaid, casualized, and unorganized.

To understand such a strike, we have to ask a number of questions, among them: how successful was it? What kind of material impact did it have on India's ruling class? What was the relationship of India's union bureaucracy to the day's actions? What about the country's fractured left? Or Prime Minister Narendra Modi and his Bharatiya Janata Party?

More broadly, to what extent has globalization shaped Indian class struggle and politics for the past forty years? And what are the prospects for class struggle in India in the years to come?

On the Backs of Workers

Though Rajiv Gandhi initiated India's drive to integrate with the world market in the 1980s, that integration was only publicly announced in 1991. In that sense, 2016 marks the twenty-fifth anniversary of India's globalization strategy. In this period, much has happened.

The move toward globalization "which meant, in effect, ensuring that more and more wealth flowed from the poor to the rich" could begin only after the working class suffered strategic defeats. Three major events stand out.

In 1974, Prime Minister Indira Gandhi used considerable force to end the All India Railwaymen's Federation strike. The union's weaknesses and inadequate preparation, as well as the Communist Party of India's (CPI) limited capacity, contributed to the defeat. But, above all, the state's decision to use violence, including calling in the military and using army engineers to run the trains, broke the strike.

In 1980, Bombay textile workers mostly moved out of their older unions and formed the Mumbai Girni Kamgar Union. Datta Samant formally led the new organization, but it enjoyed far greater working-class control and participation than is typical in Indian unions. The massive textile strike lasted a year but ended in the workers' defeat.

By 1991, the Indian left found itself in utter disarray. The restoration of capitalism in the bureaucratized workers' states and the Indian government's pro-China reaction to the Tiananmen Square violence weakened their political position. While relatively left trade unions still had strength, left parties, in sheer numerical and parliamentary terms, had very limited responses.

The largest left party "the Communist Part of Indian (Marxist) (CPI(M))" supported neoliberal policies when they were in power in West Bengal, and were voted out in 2011. Worse, they drastically lost touch with their traditional base.

Meanwhile, the number of workers led by the Central Trade Unions (CTUs) shrank. Between 1991 and 2006, almost nine hundred thousand jobs in the nationalized sector disappeared. Compounding this, India has not delivered a

meaningful increase in the number of private-sector jobs either. The National Sample Survey Office data on jobs in 2011 showed that between 2004–5 and 2009–10, only one million jobs were added. Meanwhile, the economy was growing at a record average of 8.43 percent annually, and, shockingly, 55 million people joined the labor force.

The fable of trickle-down economics stands exposed for the lie it was from the start. For example, in its 2015–16 annual report, Reliance Industries – India’s largest private-sector company, which even used Prime Minister Narendra Modi’s face to launch their latest mobile phone service – announced a 2.9 trillion rupee (INR) (US\$43.5 billion) annual revenue and INR 27 billion (US\$405.6 million) net profit. For comparison, in 1991–92, their net profit only reached INR 1.6 billion (US\$24 million).

The trends in employment, productivity, and wages provide a clear enough picture if we read through the jargon. The Conference Board reported that, in 2014, productivity bounced back, rising one percent that year. “The recent increase in productivity growth,” it goes on, “resulted solely from an increase in output growth . . . without any improvement in employment growth, which actually dropped slightly, from 1.9 percent in 2013 to 1.8 percent in 2014.”

The report recommended that India “recommit to its structural reform agenda by improving the flexibility of the labor market and opening up more sectors of the economy to foreign direct investment” “to realize its full productivity potential.”

Finally, the report mourned “a severe lack of skilled employees” which produces “wage inflation, especially among the most highly skilled” and “underscores the need for productivity improvements.”

To put it more simply: productivity increased because output grew while employment went down. Further, the scarcity of skilled workers meant some had to be given relatively better wages. Improving productivity, which increases output without hiring more workers, will further de-skill workers and drive down wages.

The Workers’ Demands

The nature of labor conflicts has changed significantly. In 1970, strikes outnumbered lockouts nine to one and 1.5 million workers struck. By 1990, striking workers dropped to 804,000, barely more than half the number in 1970. Person-days lost in disputes came down from 20 million in 1970 to 12 million in 1990.

Since then, the most significant development has been the general strike. Over the past twenty-five years, Indian workers have held seventeen one- or two-day walkouts. This strategy reaches above individual owners, bureaucrats, and management, targeting instead the entire ruling class.

The bourgeois media and the government tend to portray them as the work of communists. But as time passes – and as the strength of the CPI and the CPI(M) continues to decline – the red scare becomes less effective and less believable.

Since 2010, general strikes have demanded a government-set minimum wage. During the first action after the Bharatiya Janata Party (BJP) came to power in 2014, workers demanded INR 15,000 (US\$223.87) per month. In 2016, the demand was hiked to INR 18,000 (US\$268.64).

Calculating a six-day week, this amounts to about INR 692 (about US\$10.33) per day with four paid days off each month. Both the India National Congress (INC) and the BJP have flatly ignored these demands.

The Minimum Wages Act of 1948 calls for the government to review wages every five years, but it rarely does. The

construction sector last had a revision in 2009, and agricultural minimum wages haven't changed since 2005. The unions rightly rejected the government's offer " which came just days before the strike " to hike the minimum wage to INR 9,000.

Of course, wages weren't the only thing at stake. Workers also called on the government to stabilize prices " universalizing the public distribution system and banning speculative trade in the commodity market " to generate employment, to actually enforce the existing labor laws, and to punish those who break them. Alongside improvements to their working conditions, they demanded universal social security, including INR 3,000 monthly pensions, reinvestment in the public sector, and an end to foreign direct investment in railways, insurance, and defense. They also want the government to give organized labor more power by approving new trade unions, ratifying relevant International Labour Organization conventions, and discussing labor-law amendments with trade unions before enacting them.

A survey of food consumption and prices demonstrates how urgent these issues are.

A recent study showed that, in rural India " home to 833 million people " food consumption has dropped when compared over the past four decades. "On average, compared to 1975–79, a rural Indian now consumes 550 fewer calories and 13 gm [less] protein, 5 mg [less] iron, 250 mg [less] calcium, and about 500 mg [less] vitamin A."

It's even worse for children, who consume "80 ml of milk per day instead of the 300 ml they require." As the survey states, "[t]his data explains, in part, why 35 percent of rural men and women were found to be undernourished, and 42 percent of children were underweight."

India's response to this uncomfortable data was to shut down the National Nutrition Monitoring Bureau " the only source of longitudinal data on nutrition levels and food intake across the country. Now, this sort of macro-level data will not be easily available.

Between 2004 and 2013, food prices rose 157 percent. India is the second largest producer of vegetables in the world, but vegetable prices shot up by 350 percent. Milk prices rose 119 percent, and egg prices by 124 percent.

Food inflation has averaged 8.46 percent from 2012 to 2016. India's annual consumer price inflation accelerated to a near two-year high of 5.76 percent in May of this year, driven by surging prices of food products such as pulses and sugar. This explains why price stabilization and a universal public distribution system take center stage in the current strike.

### Contract Labor

Recent studies show that contract labor is on the rise in India, as it is almost everywhere else. This trend denies casualized workers most of the rights and benefits permanent workers enjoy. Indian capitalists regularly complain that inflexible labor laws hold up growth. Of course, if wages are driven down, profits will soar. (This was one Modi's major achievements as Gujarat chief minister, which recommended him to the national bourgeoisie.)

In 2013, the labor ministry estimated that contract workers made up nearly 28 percent of India's 459 million-strong workforce. A more recent survey " with samples from eighty-two companies that employ 2.12 million permanent employees and 1.08 million contract workers " showed a vast difference across sectors.

In industrial companies, contract workers now take 46 percent of the jobs. The automobile industry " where labor unrest has been more visible in recent years " contracts out 47 percent. But that number is higher in the energy

and utilities sectors 54 percent and in cement manufacturing 52 percent.

In the engineering sector, Larsen and Toubro Ltd (L&T) skews the total, thanks to its size and its preference for temporary workers. If L&T is excluded, the sector only has 22 percent contract workers, but including L&T's figures pushes it up to 75 percent.

Compared to industry, the service sector has a lower ratio of contract to permanent workers. Software and financial services still have relatively high levels of regular employees thanks to the specialized skills needed and, in the case of banking, regulatory measures. But telecom stands out: 46 percent of its workforce is casual, the same share as the industrial sector.

Even in banking, the wide use and expanded functions of ATMs they now print passbooks and change big notes for small ones, among other things has pushed the industry toward contract workers.

Further, the 2007–8 Economic Survey found that 93 percent of India's labor force is unorganized. According to the World Bank, India had a total workforce of 496.9 million in 2014. This means if the unorganized sector is still 93 percent that 462.2 million workers do not belong to unions.

This low union density shows that the recurrent general strikes come from deep dissatisfaction mounting from within the working class and certainly not from any trade-union bureaucracy's manipulations.

### The Strike Itself

It would be ideal to perform a province-by-province and sector-by-sector assessment of the most recent action, but we do not have full data on that. The unions themselves hesitated to mention specific figures. Not surprising, given that, in many areas, small independent or local unions not connected to the CTUs organized the strike.

However, the media came up with the figure of approximately 180 million striking workers. This would make it the biggest strike in Indian, and possibly international, history.

According to the Associated Chambers of Commerce and Industry (ASSOCHAM), the 2013 two-day strike cost INR 260 trillion (US\$4.8 billion). ASSOCHAM estimated that this general strike would lead to INR 180 trillion (US\$2.7 billion, considering the fluctuating exchange rate) in lost revenue.

In some sectors, the strike was a thumping success. Banks and other financial institutions saw a complete shutdown. One estimate suggested some 500,000 bank employees went on strike, affecting transactions worth INR 150 trillion. Resistance from bank employees has been a vital element in slowing down privatization in that sector.

Coal and other mines also showed a considerable degree of success in the strike, although much of the worker's activity was shut down. Newspaper reports indicates that the Communist Party of India (Maoist) which is quite active in the Dhanbad region worked alongside traditional unions to promote the strike effort.

Actions spread across every province. In Gujarat, around 70,000 workers from anganwadis (rural healthcare centers) and accredited social health workers (ASHAs), most of them unorganized, joined the strike. Thousands participated in the demonstrations held at district headquarters.

Port workers in Bhavnagar (Gujarat), Gangavaram, and Kakinada (both in Andhra Pradesh) dropped their tools.

Once again, these workers did not belong to any of the CTUs.

In Kerala, harbors and all industries were affected. In Karnataka, an estimated 5 million workers participated, and in the cities of Bengaluru and Mysore, the transport sector strike was total. In Bengaluru alone, 1.9 million workers joined the strike.

Haryana had huge participation and repression to match. On August 13, the Maruti Suzuki Workers Union, which has been a militant section of the working class for many years now, gave management a strike notice.

The state responded quickly. Khushi Ram, a former Maruti worker who is now a member of Workers' Solidarity Center, which organizes automobile workers in the region, said, "We reached Manesar very early to start campaigning for the general strike but the police detained us six hours." They were distributing pamphlets for the national strike. The police took thirteen workers and union leaders into detention before 7 AM.

An estimated 1,500 automobile units — including large manufacturers like Hero Motorcorp and Honda as well as smaller vendor companies in Manesar, Bawal, and Dharuhera — were also affected by the strike.

The strike wasn't total everywhere. In Neemrana, Rajasthan, home to a Japanese manufacturing zone, 450 permanent workers at an air conditioner factory walked out. Manmohan, a former worker — dismissed after an agitation in 2015 — explained that "only the permanent workers in the plant were able to come out. . . , but nearly 2,000 workers who are on short term contracts could not, as they feared the repercussions."

In Telangana, the Telangana Rashtra Samithi Party-affiliated union joined the strike, and the labor wing of the ruling Telugu Desam Party (TDP) supported the strike.

The party, however, did not sign off on the action in in Vijayawada, Andhra Pradesh — but worker-members joined anyway. In these two states, in fact, the strike was extensive, including even the transportation sector.

The transport strike in several cities and towns in Madhya Pradesh — which is BJP controlled — was total. Traditional markets also participated, affecting commercial transactions.

In many Maharashtra cities — including Pune, Aurangabad, Nagpur, Nasik, Solapur, and Mumbai — strike participation was high, shuttering companies like Ceat Ltd, ThyssenKrupp, Samsonite India, Crompton Greaves, and disrupting the pharmaceutical, liquor, and textile industries. The strike was total among beedi and power loom workers in Solapur.

In Odisha, iron, manganese, and coal mine workers put on a total strike. Their casualized comrades also participated en masse. Road transport — including auto-rickshaws — was totally paralyzed.

In Punjab, road transport as well as a number of other industries remained shut. Unorganized workers participated in the thousands.

In Tamil Nadu, the ruling All Indian Anna Dravida Munnetra Kazhagam Party (AIADMK) tried to use force to break the strike, but workers disrupted the Tiruppur garment industry. Coimbatore's heavy industry — in both the private and the public sector — was also affected.

Government employees nationwide had issued strike notices. A significant number of state government employees in the northeastern states – including Arunachal Pradesh, Manipur, Mizoram, Nagaland, and Meghalaya – participated. Central government employees – income tax employees and postal employees in particular – also joined. Defense employees in several production units took part. Employees of the state-owned telecom company BSNL walked out, too.

In West Bengal, the rabidly anti-communist Trinamool Congress government led by Mamata Banerjee went flat out to stop the workers. They declared the strike a *bandh*, taking advantage of a legal technicality that makes *bandhs* illegal. The government also issued a notice that, except for specific reasons like illness or bereavement, no worker was allowed to be absent. The order included the workdays surrounding the strike as well. That this was intended to break the strike became obvious when the government granted extra leave for all workers who had attended on September 2. All over West Bengal, some two hundred people were arrested, including the CPI(M) mayor of Siliguri Municipal Corporation.

One sector that drew back this time was education. In the past, teachers have taken part seriously, and with good reason. At all levels, full-time jobs have disappeared, and contract teachers – overworked and underpaid – have increased.

However, teachers' associations have been steadily moving away from militant struggle. Many of college and university associations are led by full-time faculty, who are well paid and are looking forward to the University Grants' Commissions announcement, which will raise starting wages to INR 50,000 (US\$746) per month. The highest ranking teacher can earn INR 200,000 (just under US\$3,000) per month. Meanwhile, part-time and guest faculty are paid as little as INR 4000 (US\$59.70) per month for teaching eight to ten classes each week.

Notions of gentility – “we are not a trade union” – and bureaucracy kept the academic sector from committing to the action; they only filed a formal strike notice. The biggest college teachers association in West Bengal and one of the backbones of the All India Federation, the West Bengal College and University Teachers Association, reported that only seventy-seven teachers formally took part in the strike. A large number did not work that day, but used ruses like medical or vacation leave.

### Women Workers

Globalization has had a serious impact on women workers. They have experienced four apparently contradictory trends: a simultaneous increase in paid labor, underpaid labor, unpaid labor, and open unemployment.

Further, the drive for cheap labor has meant that – even in the formal sector – labor laws are seldom applied equally. The minimum wage fixed by the government is already abysmally low, but bribes to factory inspectors, or threats to close down factories, often ensure that employers can pay women even less.

Nurseries – required by the 1987 Factories Act – are often not maintained. In fact, the law needs serious reconsideration: it requires nurseries in workplaces with thirty female workers. Activists demand that this be changed to thirty employees, regardless of gender. The law also exempts the service sector from providing nurseries. Both nurseries' absence and the insistence that they only appear in women's workplace have obvious gender implications.

The 1976 Equal Remuneration Act is also often ignored. Women tend to suffer from pay differentials in numerous forms. Due to worse access to education and consequently fewer skills, women often end up in lower-paid jobs. In some cases, formal job designations produce legal wages gaps. But in the informal sector, a straightforward pay differential still exists.

Especially in Indian manufacturing, women work in the lowest paid and most vulnerable sectors. Between 1999 and 2005, women took 3.7 million of the 9.7 million new jobs, mostly in export-oriented sectors like garment making. However, starting in 2009, India's manufacturing sector suffered from a variety of problems, including power shortages and an export slowdown. Between 2005 and 2010, 3.7 million manufacturing jobs disappeared, taking back the gains of the previous decade. More than 80 percent of those who lost their jobs were women.

The urban sector has seen growth in women's employment, and this was initially hailed as a step towards equality. But, as disaggregation showed, this growth was fueled above all by increases in domestic service — maids, cooks, and cleaners: hardly the most desirable or dynamic forms of work. These jobs accounted for 3 million more urban women workers in the period 1999 to 2005, far exceeding the increase in garments, leather, and IT-enabled activities. All across the economy, women's jobs tend to cluster in the lowest paid sectors.

Women who participated in the strike added their perspective, whether or not these were taken up in the CTUs' central charters. As Amarjeet Kaur, secretary of the All India Trade Union Congress (AITUC), said, "The demand for minimum wages, pension, and equal pay for equal work apply to all sections of workers, whether male or female. But this does have a special bearing on women, since a majority of those working are in the unorganized sector."

We have already mentioned the 70,000 unorganized anganwadi and ASHA workers who walked off the job. Both teaching and non-teaching staff of the National Child Labour Project joined the strike in Bihar, Maharashtra, and other area. Scheme workers, such as midday meal workers, also participated. In Karnataka, these workers stated that they were earning only INR 1,000 a month and demanded an increase to at least INR 7,000.

Jayamma, the general secretary of the Karnataka State United Anganwadi Workers Association, says that most infant healthcare workers are women, and that the government privatization of the Integrated Child Development Services (ICDS) poses a huge threat to them. She explained, "In addition to the demands of a minimum wage of INR 18,000, and a pension of INR 3,000 per month, we want the government to stop handing the ICDS scheme over to corporates and cutting down the allocation of the budget for it."

ASHA workers in Noida, part of the National Capital Region, have been agitating for job regularization and minimum wages, but also basic respect for the work they do. "We bring pregnant women to a dispensary and ensure nutrition for newborns. We tour villages and mohallas to take government health schemes from paper to the ground. Yet, we end up facing taunts from villagers and harassment from government staff. We demand equal pay for equal work and most importantly, respect and recognition for our work," says Asha Rani, an ASHA worker from Dankaur.

The women claim they are paid only INR 75 (US\$1.12) per day. After the birth of any child, they have to perform house calls for the next forty-two days to check the newborn's blood pressure and weight and provide vaccinations. They said they get just INR 250 (US\$3.73) for this. "Even the reimbursement amount is not paid on time. If the amount comes to INR 1,500 we are paid only INR 1,000. The rest goes into the pockets of the bureaucracy," alleged Kusum, from Dankaur.

Some 1.5 million tea-garden workers took part in the strike. While a significant number of women work in these gardens, they don't join union leadership. As an activist from the Progressive Plantation Workers Union told us, developing a gendered charter of demands, with full participation from women workers, hasn't happened, despite a high rate of women's participation in the actual strikes.

In Delhi, nurses timed their strike to coincide with the general strike. Government-run hospitals employ around 20,000 nurses. They added specific demands to the general strike, including a higher entry-level pay scale and higher allowances. Nurses countrywide supported these actions in Delhi. The government responded by invoking the

Essential Services Maintenance Act, which declares strikes in certain services illegal and allows police to arrest strikers.

### The Political Significance

Indian workers' continued struggles help explain India's recent political history. Many scholars have pointed out the family resemblance between the Rashtriya Swayamsevak Sangh (RSS) and its web of organizations — including its electoral arm, the BJP — and classical fascism.

Traditionally, fascism arose and was supported by the bourgeoisie only because of the working class's extreme strength, to stop the onward march of the proletarian revolution. German and Italian fascist regimes arose in a period of revolution and counterrevolution. And, indeed, so did the RSS. But it has had to contend with decades of a functioning bourgeois democracy. The assumption that the party would not adapt to these circumstances assumes that our enemy is stupid.

Not since the postwar period has the ruling class had to fear communism. As a result, elites have not often been keen on a fascist solution, especially with the RSS insisting on an aggressive anti-Muslim component. But, pushed out of the mainstream, the RSS developed an alternative strategy: to build a long-term mass movement and to penetrate civil society deeply.

A good part of the Indian capitalist class shares the party's brahminical and Hindutva ideology. As a result, even when marginalized, it never had a symmetrical relationship with the radical left, which was hounded, arrested, tortured, and murdered. Those points of contact also meant that, when the INC's decline began, the RSS could push itself forward as an alternative.

In 2012–14, the Indian capitalist class decided to turn to Modi and the RSS. They abandoned their historic party, the INC, because it — though committed to globalization — was failing.

The INC was in power for the major part of 1991 to 2014. We cannot ignore the INC's single-minded devotion to the ruling class. During its reign, the Indian state cared for big business through tax breaks, through the creation of special economic zones, through excise and import duty concessions.

Indian companies pay an average of 17 percent tax on their profits, less than half the rate in the West. Consumer goods for the affluent — cars, computers, air conditioners, and so on — cost less in absolute rupees than they did a decade ago inflation notwithstanding.

The dividends of INC's policies are evident in the growth of India's high net-worth individuals, whose disposable income exceeds \$1 million. Their number grew from 61,000 in 2003 to 83,000 in 2005.

At the other end, of course, is accumulating poverty, the rising prices of basic food items, housing, education, and healthcare, especially in relation to real wages.

This resulted in working-class fight backs. Contrary to the ruling class's hopes, the left parties' weakness — their submission to neoliberal capitalism and ultra-nationalism — have not ended working-class resistance. As Indian capitalism tries to climb the global capitalist pecking order, it cannot afford to compromise with labor militancy, especially as competition from China and the 2008 financial crisis have put extra pressure it.

This explains why a far more ruthless regime was necessary — one that would try to finish off working class

organizations for good. So the decision came to anoint Modi and the BJP.

A New New Left

These struggles have revealed the complex relationship between class and class organizations and between parties and unions. Since only a small fraction of the working class belongs to unions, the largest union is actually the RSS-affiliated Bharatiya Mazdoor Sangh. It, of course, did not take part in the strike.

But the participation of 180 million workers indicates that the strike went far beyond union members. In that sense, it articulated popular anger from below.

At the same time, there is no doubt that the CTUs – especially left formations like the Centre of Indian Trade Unions (CITU, affiliated with the CPI(M)), the All India Trade Union Congress (AITUC, affiliated with the CPI), and the smaller United Trade Union Congress (UTUC, affiliated with the Revolutionary Socialist Party) and United Trade Union Congress? Lanin Sarani (UTUC-LS, affiliated with Socialist Unity Centre of India) – played a pivotal role. They brought numerous unions together, chalked out the demand charter, and campaigned sufficiently so that other unions and non-unionized workers would come and join.

But the other side of the story is that the CTUs – including the AITUC and the CITU – have clearly reached a critical stage. Unlike political parties, the CTUs are based directly on the working class and cannot afford to have it entirely atomized. Nor can they ignore the pressure of the workers altogether.

This requires a more nuanced view than the ultra-leftism that only sees treason in their work. Instead, we argue that because trade-union bureaucracies rely on workers, they cannot accept the worsening conditions and increased casualization that have been developing for the last quarter century.

At the same time, their bureaucracy makes worker identification more difficult. This often appears as local agitations that bypass union leadership, as happened in the Hukumchand Jute Mills – one of West Bengal's biggest – last year.

And in course of their struggles, workers have been compelled to form alternative unions, some of which are led by smaller parties or do not have a party affiliation. Occasionally, these develop into militant and alternative national unions, like the New Trade Union Initiative.

While none of these have created a true alternative, their fights make it possible to continue working-class struggle even as electoral figures like to suggest that the class, in the form of the old left parties, is about to vanish.

This contradiction cannot exist forever. Either all parts of the Left come together with the militant class-struggle poles emerging at the base and form a new left alternative or the radical right offensive will smash down on the working class.

Source [Jacobin](#).