

NEWS

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TRADE UNIONS GO ON THE OFFENSIVE IN INDIA

by David Browne

This week's 30th anniversary of the [Bhopal disaster](#) is stark reminder that India's relationship with capitalism has not always been a happy one.



Most Indians are yet to benefit from the country's neoliberal market reforms.

(AP/Kevin Frayer)

As the world's largest democracy again remembers those who died from the toxic gas leak at the US-owned Union Carbide factory on the night of 3 December, 1984, India's labour movement is marshalling its forces to challenge the neo-liberal economic policies of the country's new right-wing Bharatiya Janata Party (BJP) government.

Acting under the umbrella of a recently-formed Joint Action Committee, India's national trades union centres – amongst them the ruling party's own labour wing, the Bharti Mazdoor Sangh (BMS) – have called for a day of action on Friday, 5 December.

Some five million workers are expected to participate in the all-India strike.

Delhi, Mumbai, Kolkata, Chennai and other major cities are expected to be severely affected by the *hartal*.

“The people brought BJP to power with an absolute majority but from day one the new government has taken various steps to help employers run industry as they want,” said Harbhajan Singh Sidhu, general secretary of India’s third largest national centre Hind Mazdoor Sabha.

Whatever the outcome of the one-day stoppage, this signals a looming conflict between the labour movement and the free market government of Prime Minister Narendra Modi, who won a **landslide victory in May** this year on a ticket of conservative Hindu nationalism and untrammelled capitalism.

It is estimated that India needs an annual growth rate of around eight per cent to keep pace with the social and employment demands of its growing 1.2 billion-strong population.

Growth had been running at a spectacular 10 per cent because of the country’s “Shining India” fiscal policy, which gave a wider aperture to direct foreign investment and liberalised domestic economic controls and legislation.

But of late it has slipped back to a relatively disappointing growth rate of about six per cent.

And the new government has promised to do something about it with a flurry of further free market reforms.

Modinomics

Hitherto, Modi’s big calling card has been the success of his “Chicago School” model of so-called **Modinomics**, as experienced by Gujarat, the state he ruled for two decades.

But the legacy of Gujarat and Modi is controversial and deeply flawed, say labour activists.

While Modi transformed the economic performance of Gujarat – to the benefit of wealthy merchants, the entrenched upper castes and a new generation of Gujarati businessmen, dealing in diamonds, textiles and heavy manufacturing – he also left the poor in the gutter and labour rights severely curtailed.

“The government is planning massive privatisation and deregulation in the name of more ‘flexible’ labour laws,” Sangam Tripathy, Assistant Regional Secretary for the Asia-Pacific office of the International Transport Workers’ Federation (ITF) told Equal Times.

“This is going to hit precarious and unprotected workers particularly hard. The changes will bring down social standards and social indicators. All this is being done without any form of consultation or dialogue with labour unions whatsoever. This is why we’ve called for the strike,” said Tripathy.

The Indian trade union alliance is particularly alarmed by recent changes to the labour laws in the **state of Rajasthan**, adjoining Gujarat, which they believe will serve as a blueprint for further anti-labour legislation across the nation.

An amendment to the Small Factories Act, for example, proposes to strip workers in small businesses of 40 employees or less of their employment rights. And the Factories Act and Apprentices Act are also set for radical surgery.

“The government has proposed more than 70 amendments to the Factories Act including raising the maximum number of overtime hours from 50 to 100 – and 115 in an emergency,” said Singh Sidhu.

Meanwhile, the Modi administration has targeted a huge tranche of public sector Indian National Railways for privatisation and – despite a previous massive corruption scandal over the tender and sale of coal-mining licenses to private parties – the BJP seems determined to privatise coal-mining too.

India's trades unions have now called on the government and the Minister of Labour and Employment, Bandaru Dattatreya, to implement 10 demands, among them: strict adherence to existing labour laws; a national minimum wage of 10,000 rupees a month (around US\$160); social security and pension cover for all workers; employment generation; and price controls to help the country's poor.

“The Joint Action Committee is comprised of every trade union from left to right, so we are all united on this issue,” said Manali Shah of the Self-employed Women’s Association (Sewa) in Gujarat’s biggest city of Ahmedabad.

“In Gujarat the poor know all about ‘Modi Economics’ and we know it’s not good for us.

“Half of India’s 1.2 billion people have undoubtedly prospered since the first phase of market reforms in the early 1990s, yet the remaining 600 million have not prospered. They are now deeper into poverty. Half the population is being left behind.”

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