

Workers Struggles: The Americas

4 May 2004

May Day demonstrations throughout continent denounce unemployment, privatization

Uruguay

While President Jorge Battle called on workers to stop “focusing on the past,” thousands marched through the streets of Montevideo denouncing privatization measures that have “wiped everything out,” according to one labor leader. Workers also denounced the US intervention in Iraq and Haiti. Battle admitted that the principal victim of the 2002 financial crisis was the working class, which suffered wage cuts and unemployment.

Mexico

A record number of workers overflowed Mexico City’s monumental Zocalo Square, demanding higher wages, more jobs and an end to the privatization of Social Security pensions and to the labor reforms that would make it easier to lay off workers. Separate columns of workers converged on the square chanting that May 1st is not a holiday but a day of struggle and protest.

The tens of thousands of protesters denounced President Vicente Fox’s threats and attacks on the working class. Members of the National Union of Social Security Workers (SNTSS) declared themselves ready to support a national strike against attacks of public workers’ pensions. A large effigy of Fox, as a paper serpent, was burned at the rally.

Mexico has a shortage of at least 19 million jobs, giving a lie to the government’s claim of 4 percent unemployment. Twenty-five million work in the underground economy, 3 million work for no pay—depending only on tips—and 75 percent of Mexican workers have no social or retirement benefits.

For his part, at a private ceremony President Fox denounced the Social Security workers for their defense of their pension rights, accusing them of wanting higher pensions than everyone else. “There cannot be first class and second class retirees,” declared Fox. This was a reference to the privatization of private employees’ pensions that significantly downgraded retirees’ living standards.

Colombia

Thousands marched on Bolivar Square in central Bogota. The National Unitary Command, a coalition of union federations and the Confederation of retired workers, organized the march. Despite the rain, Bolivar Square was filled to capacity with workers. The marchers carried banners against Colombian President Alvaro Uribe, in defense of retirement pensions, against the attack on health services and for jobs.

In Barrancabermeja, Colombia’s oil port in the Caribbean, 10,000 workers marched in solidarity with striking oil workers, from the refinery to a rally at the union’s headquarters. The Uribe government has declared the strike against the two ECOPEPETROL refineries at Cartagena and Barrancabermeja illegal—equating strikers with terrorists—and has proceeded to fire its leaders. ECOPEPETROL is the state-owned oil company.

Colombian unions have been heavily hit by the imposition of free market economic measures that have resulted in an unemployment rate of 13 percent coupled with an increase in nonunion casual labor. In addition, paramilitary death squads linked to the Colombian military have been carrying on a campaign of assassination of union militants.

El Salvador

Thousands of Salvadoran workers marched through San Salvador demanding freedom for union protesters imprisoned last week, condemning a free trade agreement with the United States and demanding that President Francisco Flores remove the nation’s troops from Iraq.

On April 28, 36 trade unionists were arrested during a confrontation with police during a protest in San Salvador. The demonstrators were demanding that president-elect Tony Saca rehire laid-off Social Security workers and promise not to privatize the public health care system.

Nicaragua

Separate demonstrations took place in Managua on May 1; an official rally led by President Enrique Bolanos consisted of 3,000 public employees and government functionaries. A separate rally of 7,000 trade unionists also rallied in central Managua, led by the Sandinista National Labor Front, demanding jobs.

Officially, Nicaraguan unemployment is 15 percent of the labor force. Unofficial sources put that rate at 50 percent.

Ecuador

About 10,000 Ecuadorian workers took to the streets May 1st to demand the resignation of President Lucio Gutierrez and Economics Minister Mauricio Pozo. The march in Quito repudiated the socioeconomic policies of the government, which has imposed austerity conditions dictated by the International Monetary Fund.

A column of employees of the sewer and water utility chanted that the Lucio government is collapsing. Heavily armed riot police surrounded the Carondelet Palace, Ecuador’s government house, where Gutierrez was huddled with his cabinet. Other workers’ chants included the demand for a general strike to force out Gutierrez. Protests also took place in the port city of Guayaquil and other major cities in Ecuador.

Chile

Santiago’s May 1st rally attracted some 5,000 workers, down from 50,000 in 2003. The rally was organized by the United Workers’ Central (CUT), Chile’s main trade union federation. CUT leader Arturo Martinez declared that the CUT will organize a general strike on July 29 to protest draft labor reform legislation, which in the name of greater flexibility would make workers more vulnerable to employers’ profit drive. The rally also demanded a higher minimum wage, from US\$188 per month to \$229 per month.

Honduras

Forty thousand workers, students and peasants marched in Tegucigalpa May 1st. The march commemorated the 50th anniversary of the 1954 strike against Chiquita Bananas and Standard Fruit that launched the Honduran labor movement and gave a lead to workers across Central America.

In addition to celebrating that anniversary, workers protested the so-called Free Trade Agreement of the Americas and the trade treaties between Central America and the United States. The workers rallied in front of Casa Presidencial, the country’s government house.

Argentina

Forty thousand unemployed workers in 16 columns, representing political parties and organizations of the unemployed, marched on Buenos Aires’ Plaza de Mayo, across from the nation’s government offices. The protesters demanded greater benefits for the nation’s army of unemployed

workers that now comprise more than 15 percent of the population. Workers also denounced increasing repression of workers' protests, and the US invasion of Iraq.

Bolivia

A mass march of about 30,000 industrial workers and miners took place in La Paz to protest the austerity policies of the Bolivian government. Jaime Solares, president of the Bolivian Workers Central (COB), addressed the crowd by commemorating the events that led to the creation of May Day as an international workers' day, the massacre of workers at Chicago's Haymarket Square 118 years ago. He then called on the government of President Carlos Mesa to resolve the social grievances that led to last year's mass protests, resulting in the downfall of former president Gonzalo Sanchez.

In addition to industrial workers and miners, the protest included oil workers, teachers, utility workers, reporters and university employees. The two-hour march paralyzed La Paz.

Twenty wounded in Argentine teacher's protest

On April 30, teachers in Argentina's San Luis province were wounded in confrontations when the police tried to prevent a rally demanding the resignation of the provincial governor. The rally included thousands of workers, small business owners, and students. The teachers are on an indefinite strike against draft legislation that will downgrade their work. The workers are demanding that the governor of the province, Adolfo Saa, resign or be removed from office for corruption. The confrontation that lasted until midnight came two days after the police had expelled teachers from a government building they had occupied.

UAW orders Caterpillar workers to stay on job after contract rejection

The United Auto Workers ordered 8,000 members who work at heavy equipment manufacturer Caterpillar plants in Illinois, Colorado, Pennsylvania and Tennessee to remain on the job after workers voted down the company's final offer. The contract vote came on the heels of what *Business Week* called "blockbuster first-quarter results" for the company as record sales jumped 34 percent to \$6.47 billion, while profits also broke the company's all-time record with a 46 percent increase to \$412 million. The announcement caused a wave of anger among Caterpillar workers and no doubt contributed to the contract's rejection and the union bureaucracy's refusal to endorse the proposal. The UAW refused to disclose an overall tally of votes or a plant-by-plant breakdown. Even a \$3,000 signing bonus failed to sway rank-and-file workers.

One worker told the *Journal-Star*, "I sure don't get it. They're making millions in profits, paying their executives 110 percent bonuses, and they're, in effect, taking away from us. I voted no, and I think most people did. They'll have to sweeten the pot a lot, if you ask me. A ratification bonus won't cut it."

The rejected proposal contained no raises but instead offered lump-sum payments totaling 14 percent over the last five years of the six-year agreement. A two-tier wage agreement for new hires would have been implemented that started at \$10 and increased to \$15.75, compared to the present range of \$20.07 to \$24.41 for current workers. Temporary workers, who presently make \$14 an hour, would also have been forced to accept the \$10-an-hour starting wage of new hires while receiving health care benefits for the first time.

UAW accepts two-tier wages at major auto parts makers

Delphi and Visteon corporations announced seven-year supplemental agreements April 27 that will impose lower pay and higher out-of-pocket health care costs on all future new hires at the two auto parts suppliers. The United Auto Workers bureaucracy, faced with a dwindling number of dues-paying members, consented to the agreements with the two companies in return for capital investments and the diversion of current and future production to the companies' UAW-represented parts plants.

The UAW abandoned any pretense to past principles of equal pay for

equal work and democratic rights within the union in signing on to the agreement. Rank-and-file parts workers were denied any vote on the agreements when contracts covering Delphi, GM, Visteon and Ford were ratified last fall. Visteon declined to reveal the terms of its two-tier wage system. Delphi new hires will now start out at \$14 an hour and increase over the seven-year agreement by increments of \$14.50, \$16.50, and \$18.50. Current parts workers earn an average of \$24 an hour.

UAW President Ron Gettelfinger couched the union's collaboration with management in nationalistic terms of "mutual responsibility to keep good manufacturing jobs in America." Delphi is the world's largest auto parts supplier with 189,000 workers in 41 countries. Visteon has 72,000 workers in 25 countries, of which 21,000 workers are covered by the UAW supplemental agreement.

New talks follow walkout by University of Wisconsin teacher assistants

The Teaching Assistants' Association (TAA) is scheduled to hold new talks with negotiators for the University of Wisconsin this week following last week's two-day walkout by 1,200 graduate assistants. After 10 months of fruitless bargaining following the expiration of the previous agreement, members of the TAA launched what is being referred to as an illegal strike April 27 and 28 to call attention to their grievances.

"We successfully demonstrated that we are serious in our proposals, serious enough to put our jobs on the line," assistant Mike Quieto told the *Wisconsin State Journal*. The TAA is demanding free health care despite the state government's insistence that all state workers must pay some portion of health care costs.

But the university's contract offer of a wage freeze in year one and a 4.5 percent raise in year two would largely be eaten up by demands for contributions by teaching assistants to their health care. The \$11 a month proposal for single TAs would consume 25 percent of their wage increase, while the \$27.50 a month contribution for TAs with families would slash 60 percent from the proposed wage increase. The TAA has threatened they will withhold final grades for students if an acceptable agreement is not reached.

Minnesota machinists strike against concessions

Machinists at the Aitkin Iron Works in Aitkin, Minnesota, are into their second week on strike against company demands for wide-ranging concessions. The United Steelworkers of America, which represents the 47 workers at the plant, had already made considerable concessions since the old contract expired on June 30, 2003.

The union had agreed to commence paying toward health insurance costs in July 2005, but the company began to unilaterally make deductions in January 2004. The union also agreed to a wage freeze for three years and to subordinate vacation schedules to management's prerogatives. Workers charge the company has violated seniority rights in relation to promotions, layoffs, recalls and complains that management is doing bargaining unit work while union workers are laid off.

Among the company's most objectionable demands are that workers returning from layoff would receive only 70 percent of their previous wage and that furloughs be substituted for layoffs. Workers voted by an 80 percent margin to strike. Since the strike began, Aitkin Iron Works has launched advertisements for replacement workers.

California truckers' actions protest high diesel fuel prices

Drivers of tractor-trailers launched two separate actions on California freeways April 30 to protest the high cost of diesel fuel. Five truckers blocked traffic by parking their rigs on northbound US Interstate 5 some 17 miles south of Los Angeles during the morning hours.

Farther north within the environs of Los Angeles, two other truckers driving abreast in northbound lanes 3 and 4 slowed their speed to 5 miles per hour backing up traffic near the Harbor Freeway. One truck had the slogan, "Down with High Fuel Prices," spray-painted on a banner draped on the back of his cab.

The protests appeared to be wildcat actions, as no union has come forward to support the activities. One independent trucker said that a third of his net pay goes to pay diesel fuel costs, calling it a “formula for bankruptcy.” Present diesel fuel prices are 17 percent higher in California than in the remaining 49 states.

Walkout at Dalhousie University

About 900 part-time instructors and teaching assistants at Dalhousie University in Halifax went on strike beginning April 23. The main issue in the strike is wages—teaching assistants at Dalhousie are among the lowest paid in Canada, earning almost \$10 an hour less than the national average.

The strikers are represented by Canadian Union of Public Employees (CUPE) Local 3912. University administration presented a final offer that includes a pay increase of between 11 and 18 percent over a three-year period. A vote by the striking employees on the offer will conclude on May 3.

Wildcat strikes support BC health care workers

Nearly 100 Hydro tradesmen at three of the biggest dams in British Columbia—WAC Bennett Dam, Peace Canyon Dam and Revelstoke—have begun a wildcat strike in support of the thousands of hospital workers who are currently on strike in the province. The action began April 29 after the provincial Liberal government introduced back-to-work legislation. Another wildcat strike was staged April 30 by workers at Swartz Bay BC Ferries terminal for two hours.



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