

Workers Struggles: The Americas

1 June 2004

Latin America

Public School teachers on strike in Bolivia

Thousands of striking public school teachers began to set up barricades on May 25, blocking major roads into La Paz, confronting police who fought them with tear gas. The teachers promised to intensify the strike by mobilizing marches and barricades from the Bolivian labor movement.

Claiming that it was seeking to avoid a violent confrontation with the teachers, the government of President Carlos Mesa threatened to declare schools on vacation early this year.

The teachers have rejected the government's offer of a 2 percent wage increase. They are demanding 5 percent, which is less than the 7 percent inflation rate. Bolivian teachers earn starvation wages that oscillate between US\$100 and US\$200, an amount that places them below the poverty line and makes it nearly impossible to raise a family. Bolivia faces high levels of unemployment and underemployment. Seventy percent of the population lives under the poverty line and Bolivia has one of the most unequal distributions of income in Latin America.

Paraguayan bank workers strike

Employees of the National Development Bank of Paraguay struck May 25. The same day, 200 employees rallied at the bank's head office in Asuncion. The workers are demanding a union contract that includes substantial wage increases and benefits, such as subsidies for workers with children.

Bank officials claim they cannot legally address the workers' demands because state law requires they stay within a legislated budget. In recent years the bank has been involved in corruption scandals, including charges of making unsecured loans to people with political connections.

Independent bus operators strike in Panama over fuel costs

On May 24 independent bus owner-operators and small bus companies began a national strike demanding the government roll back fuel prices. The 24-hour strike was 80 percent effective and had a significant impact on economic activity.

The transit operators are demanding the elimination of a tax on gasoline and diesel fuel, a government subsidy, or both, to compensate for rising costs.

The grade of gasoline most used in Panama costs US\$0.62 per liter (\$2.35/US gallon,) a historic high, and is expected to increase again. According to union estimates, some bus operators are losing about US\$250 per month. Since January, fuel prices in Panama have gone up by 20 percent.

The strikers also are demanding the government intervene to prevent an increase of between 5 and 10 percent in electricity prices due to take place this July.

Colombian banana workers on strike

Sixteen thousand banana workers walked out May 27 on a strike of indefinite duration in the banana region of Uraba, Department of Antioquia, in Central Colombia. The walkout is over wages. The workers are demanding a 9 percent raise and improvements in education, health, housing and other benefits. Management's wage offer is 6 percent, which would barely compensate workers for inflation. Ninety percent of the country's bananas come from Uraba.

The strike takes place under conditions in which globalization is transforming the banana industry. Giant monopolies, like US-based Chiquita and Ireland's Fyffes, use their market power to impose low prices on producers and turn around to extract top prices from consumers in the United States and Europe. That, coupled with the recent appreciation of the Colombian peso, has generated losses of about US\$7.5 million this year for the plantation owners, which they can only recover by lowering their labor costs. Colombia is the third largest producer of bananas in the world, after Ecuador and Costa Rica.

Uraba is also the scene of armed conflict in Colombia's long-standing civil war. Right-wing paramilitary death squads operate in the region, often demanding protection money from the banana producers. The banana workers union, SINTRAINAGRO, has been one of the main victims of the death squads. More than 400 of its members have been executed by the paramilitaries since 1989.

Strike wave rocks Peruvian government

Peruvian President Alejandro Toledo was forced to cancel his trip to a summit meeting of Latin American Presidents in Guadalajara, Mexico, last week as a consequence of strikes across Peru. When he announced his decision not to attend the meeting, Toledo warned against social conflicts, declaring that he would "maintain order" in Peru.

However, protests by striking construction workers continue across Peru. In Lima, hundreds of protesting workers marched on Congress with a petition demanding jobs, higher wages and safe working conditions.

Thousands of striking government workers blocked the city of Cusco, a tourist center near the Bolivian border. Trains, cars and buses were not able to enter or leave.

Toledo has lost his credibility among Peru's voters. (Recent polls give him a popularity rating of 6 percent.) In the last few weeks he has had to face strikes and protests from miners, health workers and other sections of the working class and peasantry.

His decision not to leave Peru did not deter airport and seaport workers from announcing their intention to join the strike wave next week in a three-day work stoppage against the privatization of their workplaces.

United States

Settlement in telephone strike

SBC, the nation's most profitable and second-largest local telephone company, announced it had come to a tentative five-year agreement with the Communications Workers of America (CWA), ending a four-day strike by more than 100,000 operators, linesmen, engineers, clerical workers, installers and service representatives. The agreement claims to provide job security to current employees and allows the union to compete for jobs in hitherto nonunion new-technology areas. The agreement also provides for SBC to cover monthly health care premiums.

The contract provides wage increases of 2.3 percent per year on average, along with lump sums averaging \$300 per year. But it also requires workers to pay increased co-payments on drugs and doctors visits, which will save SBC \$2 billion. Union access to jobs in new-technology sectors is based on proving its ability to provide cost savings to management. The contract provoked a sell-off of the company's stock after some analysts complained that it did not provide enough savings to management. Should predictions by Wall Street analysts prove correct, and SBC finds itself in trouble before the five-year agreement expires, the CWA bureaucracy will intervene to shift economic problems onto the backs of workers while seeking to use this leverage to integrate itself further into the corporate structure.

Bitter nine-month dairy lockout ends in concessions

Locked-out Teamsters at Washington State's WestFarm Foods voted 101-43 to accept a three-year contract that cuts pay by \$1 an hour and gradually restores 77 cents over the course of the agreement. The margin of passage did not reflect real support for the agreement. "We are going back for nothing," WestFarm worker Jessica Decker told the *Seattle Post-Intelligencer*.

Under the new agreement both sides dropped all charges before the National Labor Relations Board. As a consequence, workers will be unable to recover back pay resulting from the lockout. Under the new contract, WestFarm will determine whether there is sufficient work to bring workers back on the job. The contract also stipulates that workers accused of picket line "misconduct" will be compelled to go through a grievance process. The contract also permits the company to farm out work for products that are losing money.

WestFarm workers were isolated over the course of the lockout as the Teamsters limited the struggle to a boycott of WestFarm products, such as Darigold milk. The prolongation of the strike led to an economic disintegration of workers' lives, including home foreclosures, which finally forced workers to accept the new agreement.

Wisconsin and Minnesota ironworkers walk out over benefits

Some 1,600 ironworkers in Minnesota and Northwestern Wisconsin walked off the job May 25 after the Associated General Contractors and union negotiators were unable to come to an agreement on ironworkers' pensions and the health benefit trust funds. The Ironworkers union, however, has not put up picket lines, which could lead to the complete shutdown of building projects if other construction trades refused to cross.

As the walkout continues, delays are beginning to affect

construction projects. Among them is the \$250 million Wakota project, which involves rebuilding US Highway 61. Work on 21 bridges, including the Interstate 494 span over the Mississippi River, is threatened if the walkout continues.

Poll reflects worker dissatisfaction over changes at Microsoft

An informal poll of 3,000 Microsoft employees published by Reuters revealed more than 90 percent were either "dissatisfied" or "very dissatisfied" with new cuts in stock discounts, a hike in prescription drug payments and a change to parental leave policy. In a comment section, one worker wrote, "This is a very disheartening change for me. I fear what may come next..."

In questioning the cuts many workers mentioned the company's \$56 billion in cash reserves. Microsoft management has emphasized that it considers the reserves shareholders' money. "Certainly the discussion that the company has had about ongoing cost-cutting and efficiency has been viewed positively" by Wall Street, said one analyst. In the last year a shareholder's revolt caused Microsoft management to declare a stock dividend as major investors insisted on seeing cash reserves flow in their direction.

Canada

Dalhousie University strike ends

The strike by about 900 teaching assistants and part-time faculty at Dalhousie University in Halifax, Nova Scotia, ended May 29. The workers, members of CUPE Local 3912, went on strike April 23 over wages. The new three-year contract is retroactive to September 3, 2003, and includes wage increases that total from 8 to 18 percent, scholarship protection and workload protection for teaching assistants.

Workers march in support of Aliant strike

Several hundred workers with the New Brunswick Federation of Labour, attending a conference in the provincial capital of Fredericton, marched on May 20 in support of striking workers at Aliant—Atlantic Canada's largest telecommunications company.

The strike at Aliant, which began April 23, involves 4,300 workers fighting for job security, pensions, benefits and wages. The strikers are represented by the Communication, Energy and Paperworkers Union (CEP) and the Atlantic Communication and Technical Workers Union (ACTWU).



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