

Indian CEO killed after negotiations with group of dismissed workers go awry

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In the course of heated negotiations between a group of laid-off contract workers and the management of Graziano Transmission India, the company's Chief Executive Officer (CEO) and Managing Director, Lalit Kishore Chaudhary, was killed Monday, September 22nd by a blow to the head.

The circumstances surrounding Chaudhary's death have yet to be clarified. There have even been suggestions that Graziano's business rivals hired professional killers to pose as workers and foment a confrontation that they could then use as a cover for a "hit."

But the corporate media was quick to label the incident a "lynching" by workers.

Two other senior Graziano managers suffered serious head injuries and were initially listed as in critical condition. At least 10 workers also suffered injuries in Monday's melee.

The Indian subsidiary of an Italian firm, Graziano had been compelled by worker protests to agree to reinstate all but 15 of the 250 contract employees whom it had dismissed in June after they had staged a sit-in demanding a salary raise and the status of permanent employees.

Workers gathered outside the transmission factory last Monday, while a small group of worker representatives went inside to meet with management to discuss the fate of the 15 and contract details. The company had earlier reneged on an agreement to provide a 3000 Rupees (\$65) per month pay increase, by attaching conditions to the pay hike.

While the press has shown scant interest in the causes of the labour dispute, the little information in their reports reveal that the Graziano workers lived in constant fear of dismissal, were subjected to frequent abuse, and were at times slapped or beaten for petty infractions.

It is unclear why the workers waiting outside the factory last Monday stormed inside. But there are several reports security guards fired one or more shots. It has also been

reported that the workers had heard cries for "help" from within the factory.

The Calcutta-based corporate daily *The Telegraph* quoted a police official as saying that "an attempt today to find a solution went horribly wrong because of a gunshot by a security guard."

One of the workers, Avdesh, was quoted in *The Hindustan Times* as saying: "The company asked us to write an apology letter saying we had caused violence in the past which forced the lockout. This made me furious and the gathered workers started protesting. However, we did not kill the CEO."

Another worker Rajpal said: "We were demonstrating peacefully to get our jobs back. Outsiders may have assaulted the CEO leading to his death. Firing by the guards agitated workers and they clashed with staff. Several workers, too, were injured."

Speaking Sunday outside the house of the deceased CEO, Samajwadi Party General Secretary Amar Singh, who has a reputation for sensationalism, said that the killing may have been organized by business rivals: "Hired killers posing as workers may have entered the factory and committed the murder."

In a draconian response all too familiar to the Indian working class, the police responded to Monday's events with a dragnet. They swooped in and arrested 136 workers, charging 63 of them with "murder" and another 73 with "breach of peace".

Big business meanwhile responded with apprehension, demanding that the state take immediate action to ensure such events never are repeated.

When Labour Minister Oscar Fernandez, in a rare display of candour, suggested that management should take a warning from these events, India's business elite and the media went ballistic.

It is worth citing Fernandez's comments at length as they provide a glimpse into the brutal conditions and

economic insecurity facing workers in India. These conditions are the product of the gutting of legislation that previously provided manufacturing workers with a modicum of job security and of a series of Supreme Court decisions that have greatly expanded management rights.

Taking advantage of “temporary” or “contract” work provisions, most corporations can now discipline, humiliate, and fire workers at will, while giving them lower pay and depriving them of such benefits as vacation pay and health insurance. Provision of such “labour flexibility” has become an article of faith among all sections of India’s ruling elite.

After deploring Chaudhary’s death, Fernandez said, “This should serve as a warning, for the managements. It is my appeal to the managements that the workers should be dealt with compassion.

“There are disparities in the wages of permanent employees and contract workers. The workers should not be pushed so hard that they resort to whatever has happened in Noida. It is a fact that the number of organized workers has been decreasing. It came down from 7 per cent to 6 per cent. We are going to discuss the matter of hire and fire policy in the next labour congress. First we deal with PSU [public sector units] and later with private sector on the issue.”

He continued: “[The workers are] unable to express [their] simmering discontent over the management policies.”

Fernandez’s remarks provoked a furious response. “I cannot believe that someone in the Government is condoning something like this,” thundered Rajeev Chandrasekhar, the president of the Federation of Indian Chambers of Commerce and Industry (FICCI), an influential industry lobby.

The next day, after meeting with several senior cabinet ministers, Fernandez issued a humiliating apology, saying that he had never meant to “condone” violence.

Graziano is a global conglomerate that supplies gears and transmission systems to agricultural machinery and automobiles including such luxury ones as Ferrari and Lamborghini. Its Indian transmission plant is situated in Noida, a Special Economic Zone (SEZ), on the outskirts of India’s capital, Delhi. Companies in Noida and other SEZs enjoy land grants, huge tax breaks, lax enforcement of work and safety standards, and other benefits. Major domestic and transnational corporations such as Reliance Group, Yamaha, Pepsi, LG Electronics, and Samsung have established facilities in Noida.

Most of these corporations profit immensely by paying

their workers a pittance, exploiting the widespread social misery of the Indian masses.

In July 2005 police assaulted several hundred workers at an Indian Honda Motors plant in Noida, mercilessly when they protested against the dismissal of some of their colleagues.

Business representatives have demanded that severe punishment be meted out to the Graziano workers. The FICCI issued a statement that said incidents of worker unrest “are bound to sully India’s image amongst overseas investors at a time when India is making all-out efforts to make the business environment investment-friendly” and demanded that “the culprits be brought to book swiftly and given the severest punishment.”

Business spokesmen are also demanding a drastic increase in police protection for themselves and their facilities and swifter action to suppress worker discontent.

In response to this pressure, the Noida district administration has decided to establish a section or cell of the police solely devoted to labour disputes. A Deputy Superintendent of Police, who will be charged with meeting with companies to help them resolve their labour disputes, will lead the cell. “The officers engaged in this cell will solely be responsible for industrial issues and nothing else,” said the Senior Senior Superintendent of Police (Noida) R. K. Chaturvedi last Wednesday

None of the Stalinist parties, including the largest, the Communist Party of India (Marxist) or CPM, have spoken out against the police-business campaign against the Graziano Transmission workers. In its September 28 issue, the CPM weekly *People’s Democracy* does not even carry a report on the killing of the Graziano CEO and the reaction of India’s elite to it. This should come as no surprise as the CPM, in its bastion state of West Bengal, has pursued pro-investor policies all but identical to those the Congress Party-led United Progressive Alliance (UPA) government is implementing nationally.

Fernandez’s retraction notwithstanding, his comments reveal that the ruling elite is well aware that their two decades-long drive to transform India into a cheap labour haven for the benefit of domestic and international corporations has stoked mass resentment that can easily assume a mass and violent character.



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