

# Indian coal workers to strike against privatisation

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5 May 2010

Employees of the state-owned Coal India Ltd (CIL) are due to start a three-day strike today against the Indian government's proposal to sell off 10 percent of shares in the company and its subsidiaries. Workers are concerned that the partial privatisation will inevitably mean job losses and undermine conditions as shareholders insist on restructuring to boost profits. Already plans are underway to outsource aspects of the company's operations.

India's coal mining industry was taken into government control in 1971. Four years later, in 1975, CIL was formed as a fully state-owned holding company with five subsidiary coal companies, which together produce about 80 percent of the country's coal. Coal is the dominant energy source for India's expanding economy, accounting for more than half the country's requirements.

The strike was originally called by five trade unions, but three of them reached a deal with Indian Coal Minister Sripakash Jaiswal on April 16 and ended any involvement. The three are affiliated with the ruling Congress party, the Hindu supremacist Bharatiya Janatha Party (BJP) and the Stalinist Communist Party of India (CPI). The so-called "independent" Hind Mazdoor Sabha (HMS) backed out, leaving only the All India Coal Workers Federation (AICWF), affiliated to the Communist Party of India-Marxist (CPM), involved in today's strike.

Justifying the April 16 backdown, S.Q. Zama, national secretary of the Congress-aligned Indian National Trade Union Congress (INTUC), claimed that the government had agreed to the unions' main demand—to maintain a majority stake in CIL. The

concerns of workers about jobs and conditions, however, were not addressed. Coal Minister Jaiswal immediately proclaimed that there were "no roadblocks" to the sell-off, which he expected would raise over \$US2 billion.

To assist the unions impose the deal, the government has offered to make 1 percent of shares available to workers at a "discount" rate. These "workers' shares" are a cynical attempt to tie workers to the privatisation plans and the drive for greater profits. Needless to say, workers will have no say in the running of the company and many will be forced to sell their shares on the market in any case.

The unions effectively dropped their demands for better pay for contract workers. Through a protracted process of restructuring, contract workers now make up around 40 percent of the workforce. They are badly paid and are deprived of all statutory benefits.

Further job losses are also being planned. In a press interview in early April, CIL chairman Partha S. Bhattacharyya said the company plans to slash its permanent work force from 416,000 to 380,000 in the next two years through attrition and a "volunteer retirement scheme" (VRS). Bhattacharyya added that CIL intends to shut mines at "unviable" locations and redeploy employees to more productive mines.

While the AICWF has proceeded with the strike, workers should be under no illusion that it is fighting to defend their interests. The union has no fundamental differences with the other unions, but is simply holding out for further reasons to justify a sellout. Coal Minister Jaiswal declared after the settlement last month that the

AICWF and HMS “want to meet the prime minister so that their workers feel confident”.

No meeting with the prime minister has taken place, indicating that the government is not particularly concerned about the AICWF’s decision. At this stage, it is not clear how many of the company’s 700,000 workers will join the strike. Coverage in the Indian media is virtually non-existent, suggesting that the business elite expects a quick resolution.

CIL miners should take a warning from the outcome of last month’s “indefinite strike” by telecom unions in opposition to plans for a 30 percent sell-off of shares in the state-owned Bharat Sanchar Nigam Limited (BSNL). The joint union committee led by the CPM-associated BSNL Employees Union (BSNLEU) called off the strike within hours, on the basis of vague government promises to address the concerns of workers.

The role of the AICWF will be no different. None of the coal unions or their affiliated parties has any fundamental difference with pro-market agenda of the Congress-led government. The CPM heads coalition governments in the states of West Bengal, Kerala and Tripura that have been notorious for their ruthless pursuit of privatisation and restructuring.

In an interview with *Business Standard* on April 18, A.K. Padmanabhan, president of the CPM’s Centre of Indian Trade Unions (CITU), was asked why he opposed the central government’s disinvestment plans, yet remained silent when the CPM-led Left Front government in West Bengal sold off the Great Eastern Hotel. Padmanabhan lamely declared: “We are opposed to the sale of strategic assets in strategic sectors. It’s not correct to compare the telecom or coal sector with the hotel sector.”

Padmanabhan’s argument about the “strategic interests” of Indian capitalism simply underlines the fact that the CPM and the unions are not defending the interests of workers. In fact, the AICWF—CITU’s affiliate in the coal industry—has continued with today’s strike as a means of containing widespread discontent and anger among coal miners.

A BJP-led government first attempted to partially privatise the coal industry more than seven years ago but backed down in the face of strike threats by the Stalinist-led unions. While the CPI and CPM nominally opposed the BJP, these parties backed the Congress-led government that took power in 2004, arguing it would be more susceptible to pressure for “pro-people” policies. During the government’s first term, the CPM and CPI provided formal parliamentary backing until mid-2008.

Now the Congress-led government is proceeding with its CIL sell-off as part of broader plans for disinvestment in state-owned enterprises aimed at raising 400 billion rupees to help reduce the budget deficit from 6.7 percent of GDP to 4.8 percent in 2011-12. It is relying on the unions, particularly those affiliated to the Stalinists, to contain and suppress any opposition from workers.

Any genuine struggle to defend jobs and conditions by workers requires a complete break from the trade unions, the formation of rank-and-file committees of miners and a turn to other sections of workers in India and internationally who confront similar attacks. Such a struggle can only go forward if it is based on a genuine socialist program to restructure society to meet the needs of the vast majority of working people, not the profits of a wealthy few.



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