

# Indian ruling elite fears impact of altercation at Maruti Suzuki plant

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Sections of the Indian ruling elite have sharply expressed their concern over the bloody altercation July 18 between workers and management staff at the Maruti Suzuki India (MSI) car assembly plant in Manesar, 40 kilometres south of New Delhi.

Since July 21, India's largest auto maker has locked out the 3,000-strong workforce at its Manesar plant. More than a hundred workers have been arrested, including the entire leadership of the Maruti Suzuki Workers Union (MSTU), the independent union workers established last year in opposition to a company stooge union.

The company has alleged that union leaders planned the July 18 altercation, when in fact it was a deliberate provocation by management. The incident followed the suspension of a worker by company officials after he protested against the casteist remarks of a supervisor; protesting workers demanded that the supervisor be disciplined instead. While MSTU leaders were discussing the dispute with management representatives, hundreds of armed company-organised goons brutally attacked the workers.

A major conflict ensued, during which the factory premises were set on fire, causing damage to part of the factory and leaving a senior manager charred to death. Some 100 people, including both workers and management personnel, were injured in the fire and fighting (see "India: Maruti Suzuki launches witch-hunt against workers").

Using the incident as a pretext, India's political elite have now rallied behind the witch-hunt against the MSI workers launched by the company, the Congress-led state government in Haryana, where Manesar is located, and its police. At the same time, they have expressed their concerns about the impact of the conflict on the image of Haryana in particular, and India in general, as a cheap labour platform for global capital.

The political establishment fear that the incident at MSI Manesar plant threatens to weaken the pro-investor image of India and will further impact India's already declining economic growth rate. They are consequently demanding

harsh measures to suppress any opposition from workers over sweatshop conditions.

R.V. Kanoria, president of the Federation of Indian Chambers of Commerce and Industry (FICCI), a major big-business lobby, noted that the July 18 incident in Manesar has sent shock waves through corporate boardrooms, both at home and abroad. Kanoria insisted: "The message from India needs to ring out loud and clear that the lives and property of its citizens [are] safe and any breach in the law and order and industrial relations situation will be dealt with firmly."

Speaking in Bangalore, Wipro chairman Azim Premji perceived the incident as "representative of the social unrest in that zone because of various issues" and characterised it as "pretty extreme, pretty ruthless and very unfortunate".

Premji did not elaborate on these "various issues" leading to "social unrest," which are in fact the dictatorial working conditions practised by MSI and other companies in the Gurgaon-Manesar industrial belt. He demanded, rather, that the "the government should act ruthlessly" to subjugate workers to those conditions, warning that altercations like the one at the Manesar plant could be repeated.

The Indian elite fear most of all that the resistance of the Maruti Suzuki workforce, and its potential for inspiring broader sections of workers, will serve to undercut the Indian elite's desperate efforts to brutally impose its cheap-labour regime under conditions of deepening global recession.

The corporate media have repeated MSI's claims that workers were to blame for the altercation to justify its witch-hunt and have insisted on an intensification of repressive measures against workers.

Declaring that there is "evidence"—even before the release of an official investigative report—that the violence was premeditated", a *Times of India* editorial demanded: "The full force of law should be brought to bear on its perpetrators." The editorial goes on to state: "Nevertheless, the poor state of industrial relations could hurt Haryana's, and even India's status as an investment destination.... Companies

have the option of shifting to more industry-friendly states, if not ship out of the country altogether.”

The newspaper complains: “Rigid labour laws create a two-tier system, with a privileged labour aristocracy on the one hand and a vast mass of unorganised workers with few rights on the other. This feeds into inequality and industrial warfare, as rising use of contract labour creates a dichotomy at the workplace. This has been evident in the Maruti case as well.” This is in reference to use of contract workers at the Manesar plant, which make up 40 percent of the entire workforce and are paid half the salary of permanent workers.

The *Times* then demands: “The government must revamp labour laws with provisions that allow industry to freely adjust employment according to its needs, while workers are duly compensated for such adjustment.” Its proposal to change the “two-tier system” is not in order to grant decent conditions for the vast majority of unorganised workers, but to give a free hand to investors to subject their entire workforce to whatever harsh conditions are required to ensure their profits.

This is exactly what Prime Minister Manmohan Singh has repeatedly demanded: the creation of a “flexible labour force” to make India more competitive. Ever since the launching of economic reforms dictated by international finance capital, every acute social and economic crisis has been seized on by the Indian elite and corporate media as a pretext to demand rapid and drastic changes in existing laws that are seen as undesirable obstacles to the corporate drive for profit and wealth.

An editorial in the *Hindu* points to the crucial role played by the trade unions in policing workers’ unrest. The liberal bourgeois paper has long promoted the Stalinist Communist Party of India (CPI) and Communist Party of India (Marxist), or CPM, as reliable allies of the ruling elite in policing the working class and upholding the “national interest.”

The *Hindu* writes: “The attempt by some companies, especially multinationals, to discourage unionisation has added to the volatility of industrial relations, and their preferred tactic is to employ workers on contract so as to have a hold over them.... Apex industry bodies such as business chambers, labour unions and the government need to put their heads together to assess what is undoubtedly a disturbing trend and examine ways to reverse this trend.”

The editorial’s insistence on the unions’ role is significant in the experience of workers at MSI and other factories throughout India. The All India Trade Union Congress (AITUC), affiliated to the CPI, and the Centre of Indian Trade Unions (CITU), the union federation of the CPM, have allowed the spread of contract labour across India for decades, suppressing workers’ opposition and backing the

support of the CPI and CPM for national and state governments that have pursued the bourgeoisie’s “reform” agenda to make India a cheap labour producer for world capitalism.

For all their demagoguery against contract labour, the AITUC and CITU have sought to keep the Maruti Suzuki workers isolated in the face of a ferocious onslaught against them. During the four-month-long struggle of MSI workers last year, the AITUC and CITU advised them not turn to their class brothers but to put their faith in the Haryana state government, its labour officials and the courts while these forces were working hand in glove with the company.

However, the most powerful sections of Indian big business are strongly supported by sections of the political elite such as Narendra Modi, Hindu supremacist Bharatiya Janata Party chief minister of the state of Gujarat, and Mamata Banerjee, Trinamool Congress chief minister of West Bengal, who stand for the ruthless suppression of emerging class struggles and reject any possible infringement on management’s prerogatives. Thus, they “discourage unionisation” in industrial plants and refuse to talk to “outside” trade unions that they say are “politically motivated”.

In the wake of the Maruti Suzuki Manesar shutdown last month, both Modi and Banerjee are competing for MSI to invest in their respective states. Not to be outdone in this competition, Haryana Congress chief minister Bhupinder Hooda commented: “The overall crime rate and man days loss in Haryana is the lowest among states. The Maruti episode was an ‘untoward’ incident.” Hooda then boasted that Haryana had become an automobile hub, with every second car and motorcycle produced in India being manufactured in the state.



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