

# Unions abruptly shut down “indefinite” public sector strike in Kerala

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A six-day-old strike of several hundred thousand government employees and teachers in the southern Indian state of Kerala collapsed after the Stalinist trade-union leadership negotiated a surrender agreement with the state’s Congress Party Chief Minister, Oomen Chandy, in the early hours of Monday, January 14.

The strike had been launched January 8 by a joint committee of trade unions dominated by supporters of the Stalinist parliamentary parties—the Communist Party of India (Marxist) or CPM and the Communist Party of India (CPI)—in order to oppose the state government’s plans to implement a mandatory pension contribution for all new government employees, starting April 1.

The strikers, who had shown great militancy in the face of naked intimidation by the state government, were herded back to work without any chance to vote on the agreement which accepts the co-pay pension scheme.

Under the government’s Participatory Pension Scheme (PPS), state employees, including teachers, will now have to pay for their retirement pensions through a 10 percent mandatory deduction from their pay cheques. The government will match the 10 percent contribution. Currently, all Kerala government employees are covered by a “Statutory Pension Scheme” under which the government pays the full cost of their pensions.

The Kerala government’s offensive against its employees is part of an ongoing drive by the Indian ruling class to progressively offload the burden of retirement income onto public sector workers. In 2004, India’s national government implemented a regressive National Pension Scheme (NPS) under which new government employees have to pay ten percent of their monthly income, with the government matching an

equal amount, into a retirement savings plan.

Under this scheme, workers’ pension benefits are no longer guaranteed, but are to be determined by market returns. Workers have to choose how their pension contributions are invested, whether in stocks, which are high risk, or government bonds that are relatively low risk but offer smaller potential returns. Thus workers are being pressured into placing their retirement income at the mercy of the gyrations of the financial markets.

All India’s state governments have subsequently imposed the NPS on their employees, with the exception of Kerala, West Bengal and Tripura—states where the Stalinist CPM has until recently, or in the case of Tripura still does, form the government.

The opposition of the Stalinist unions, the CPM, and the CPI to the establishment of an NPS-type scheme in Kerala was limited to a protest gesture. At the beginning of the strike, they issued various militant statements and even threatened a general strike, but predictably this proved to be hot air.

The union leadership never made any appeal to the workers belonging to other trade unions, whose leadership opposed the strike. Consequently, a sizeable portion of the 500,000 state government workers and teachers did not even participate in the strike.

Likewise, no serious attempt was made to mobilize other sections of the state’s working class, who are also suffering from stagnant wages, longer working hours and high inflation, let alone to make the Kerala strike the spearhead of an India-wide working-class mobilization.

Soon after the strike commenced, it became clear the Stalinist unions were manoeuvring to shut it down. Barely two days into the strike, the leadership started issuing pathetic appeals to Chief Minister Chandy, pleading for him to take the initiative in negotiating an

“amicable settlement.”

They did this despite the fact that Chandy had taken a hard line prior to the strike, including threatening workers with “stringent actions” in the event of any “illegality” and announcing the government would rigorously enforce the “No Work, No Pay” rule and prevent workers from taking leave during the strike.

Once the strike was underway, the government mobilized the state police force to intimidate the workers. They promptly registered eight cases against striking employees for allegedly blocking other employees from reporting to work.

Making no bones about the motivation for the government’s regressive pension policy, Kerala’s Information and Public Relations Minister K.C. Joseph linked scrapping of the current pension scheme to the state’s economic growth. He claimed that the money would be better spent on “state development”—that is, tax concessions for big business and pro-business infrastructure projects—than on workers’ salaries and pensions.

Last year, the Congress-led UDF state government increased the minimum retirement age for state government employees to 56 from 55.

Many of the 25 states that have put into effect the 2004 NPS scheme have not been paying their contributions towards the co-pension scheme. This is creating conditions for a massive shortfall in government pension obligations that will endanger the future livelihood of retirees.

The Stalinist union leaders’ sabotage of the Kerala public sector workers strike should come as no surprise. In 2002, a 32-day militant strike involving 600,000 government workers and teachers against the state Congress Party government’s decision to impose various austerity measures upon workers and teachers was abruptly shut down without the unions winning a single demand. (See: “Indian union leaders open the door for tough austerity measures in Kerala”)

The austerity measures were a preparation for an Asian Development Bank loan whose preconditions were that the government implement far-reaching fiscal “reforms,” a euphemism for cuts in wages and public services.

In 2003, a wholesale attack on government workers by Tamil Nadu’s AIADMK government led by the reactionary Chief Minister Jayalalitha went unopposed

by the Stalinist and other union apparatuses even after she fired 200,000 workers en masse. [See: “Tamil Nadu sackings signal new offensive against Indian workers”]

Similarly, the Stalinist unions have isolated and suppressed a wave of strikes in India’s new globally connected manufacturing sector. This included in 2010-11 urging workers in Tamil Nadu, whose struggles had come under attack from the state’s DMK government, to return to work and await the expected return to power of the aforementioned Jayalalitha on the grounds that she would be more favourable to them.

Neither the union leaders nor the CPM and its Left Front (in Kerala, Left Democratic Front) have any fundamental disagreement with the Congress state government’s pro-market, anti-working class “reforms”. Dismissing “socialism as a far off cry,” the Stalinists have for the past two decades pursued what they themselves describe as “pro-investor” policies in those states where they have formed the government. And they have repeatedly propped up Congress-led governments at the Center, including for its first four years in office the current United Progressive Alliance government.



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