

# Steel workers strike in Mexico

Rafael Azul  
10 March 2016

On Saturday March 5, more than 3,500 workers at the ArcelorMittal (AM) steel plant in the port city of Lázaro Cárdenas in Michoacán, México went on strike against the world's largest steelmaker. The workers rallied at the Miners Monument, marched to the plant, and set up a picket line to protest summary dismissals and other violations of their contract. There are also reports that workers are engaged in a plant occupation.

Last year 300 workers were laid off from the coke facility at the plant. The strikers are demanding their rehiring and the reopening of the sheet steel facility, where over one thousand workers were sacked in 2014.

ArcelorMittal management released a statement declaring the walkout illegal and calling for three-party talks between management, the union and the administration of President Peña Nieto. The workers are members of the National Miners, Metal and Steel workers Union (SNTMMSRM). The Labor Ministry (STPS) issued a statement, saying, "With respect to the occupation of the AM Mill, the STPS calls on the National Miners, Metal and Steelworkers Union (SNTMMSRM) to take the road of negotiations and respect for the law."

The STPS has a history of intervening on the side of big business to make strikes illegal, or "inexistent," in the language of Mexican legislation. It has happened repeatedly, both under National Action Party governments (PAN) as well as under PRI (Institutional Revolutionary Party) administrations. In some cases dubious interpretations of Mexican law have been rubberstamped by the Labor Ministry to justify mass layoffs and other attacks on Mexican miners.

AM and a Mexican firm, the Villacero Group, benefited from the 1991 privatization of the state-owned Sicarsa steel mill, at fire sale prices. The government of president Raúl Salinas justified the give away price (USD 170 million, a fraction of its yearly revenues) declaring that the firm required an

investment of USD 2 billion to modernize. Far from modernizing the mill, the new owners allowed it to continue to deteriorate.

In 2006, AM absorbed Villacero's half, following the events of *jueves negro* (Black Thursday). On April 20, 800 federal police officers violently invaded the plant to expel 500 workers who had been occupying it for nearly three weeks. They killed two workers and wounded 41.

Last March, AM threatened to close the mill and lay off thousands of workers. At the time, the SNTMMSRM bureaucracy argued against a strike claiming they could keep the layoffs to a minimum. SNTMMSRM again stood in the way of the strike last July insisting that it was necessary to aid management as it faced critical competition in the Mexican market from Chinese steel. The union sided with the company's economic nationalism, claiming China was dumping steel products at below market prices.

The Lázaro Cárdenas mill, the largest in Mexico, employs 7,000 workers. ArcelorMittal, a Luxemburg-based transnational corporation headed by Indian billionaire steel magnate Lakshmi Mittal, operates in 27 countries and has a work force of 320,000.

In parallel with the negotiations with ArcelorMittal México, the company is also negotiating with the United Steelworkers union (USW) in the US, which has forced 13,000 AM workers in the US to work without a contract since last September. The USW has offered massive concessions to the steelmaker, in line with the sellout agreements it has imposed on workers at US Steel and specialty steelmaker Allegheny Technologies (ATI). At the same time, the USW has pledged to strengthen its "partnership" with US Steel and AM by pushing a virulently nationalist campaign for tariffs against steel from China, Russia, Japan, Brazil and other countries (See: US steelworker union hails Obama trade war measures).



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**