

Brazilian oil workers strike against mass layoffs, privatization threat

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Oil workers at Brazil's giant state-owned energy conglomerate, Petrobras, went on an indefinite strike Saturday, February 1, against the announcement of the closure of the Nitrogen Fertilizer Factory (Fafen) in the southern state of Paraná and moves to privatize the company.

The strike has already met with threats of naked repression. On Monday the Military Police deployed 120 riot-equipped officers and 32 police cars at the gates of the Duque de Caxias refinery in Rio de Janeiro.

The closure of Fafen, announced on January 14 by Petrobras, will lead to the layoff of 396 full-time employees and another 600 contract workers. Two thousand workers in the production chain will also be affected by the closure. Since January 21, Fafen workers have been blocking the factory's entrance and keeping it in operation to prevent its complete dismantling.

According to the oil workers' union federation FUP, which is affiliated to the Workers Party (PT)-controlled CUT union federation, in addition to the action of workers at Fafen, on Saturday morning the strike spread to 12 of the 13 Petrobras refineries and four terminals of Transpetro, the subsidiary responsible for transporting oil and gas, in nine Brazilian states. Twelve offshore oil platforms are also paralyzed by the strike.

The closure of Fafen is part of a broader program announced last June by the government of Brazil's fascistic President Jair Bolsonaro and his economy minister, "Chicago Boy" Paulo Guedes, to privatize eight Petrobras refineries and Transpetro. These eight refineries are responsible for 50 percent of national oil refining and represent one of the greatest divestment plans in Petrobras' history. Almost 5,000 workers could be laid off as a result of the refineries' privatization.

In addition to Petrobras subsidiaries, the Bolsonaro government's privatization program, announced last August, targets 18 of the 130 federal state-owned companies, such as the giant postal company Correios, the electricity and telephone companies, Eletrobrás and Telebrás, the statistics and information technology agencies Dataprev and Serpro, and the Brazilian Mint (Casa da Moeda do Brasil).

Over the past two years, 24 state-owned companies have already been privatized or liquidated, including BR Distribuidora, a former Petrobras subsidiary responsible for the distribution and sale of fuels. Between December of last year and January of this year, 600 workers from BR Distribuidora have been laid off, and almost 1,200 will leave the company through a voluntary dismissal program. These nearly 1,800 workers represent 57 percent of the company's workforce.

Workers in federal state-owned companies have already begun to respond to the Bolsonaro government's privatization program. On Monday, some 2,000 workers launched a 24-hour "warning strike" at

the Brazilian Mint. Their contract expired this year and they are confronting cuts in food and health benefits as well as the threat of privatization. The Mint workers carried out a two-day wildcat strike, occupying the company during the afternoon and evening of January 10. It was the first strike by this section of workers since 1989.

In addition to the oil and Mint workers 3,000 Dataprev workers from across Brazil have been on strike since January 24 against the threat of privatization, the announcement of the closure of 20 of the agency units and the layoff of nearly 500 workers. The agency is responsible for paying 35 million retirees. It is one of the largest strikes in Dataprev's history. Last Friday, in response to the strike, the company was forced to suspend the announced 500 layoffs.

Even as the struggle among workers at the state-owned companies against the Bolsonaro government's attacks is growing, the unions are already showing the first signs of betrayal. Contract workers at the Petrobras refinery in Cubatão, on the coast of the southeastern state of São Paulo, went on strike on January 21 against a cut in wages of up to 50 percent, cuts in food and health benefits and delays in the payment of wages. On January 28, after the Labor Court ruled the strike illegal and the local union isolated it, failing to call a broader strike involving Petrobras's full-time employees, 50 contract workers were forced to resign.

The union in Cubatão is one of the five oil workers' unions of the FNP oil union federation, which is affiliated to the Morenoite-led union federation Conlutas. Unable to wage a united struggle against the company, the FNP called a workers' assembly only on Monday to decide on the strike, two days after the FUP workers had already begun their job action.

The most open betrayal is being carried out by the unions against the more than 100,000 postal workers at Correios, which the government plans to privatize in 2021. Like oil workers, postal workers are divided between two postal union federations, the CUT-affiliated Fentect and the Finect, which is affiliated to CTB, the union federation linked to the Maoist Communist Party of Brazil (PCdoB).

Last year, after the announcement of the Bolsonaro government's privatization program, under immense pressure from rank-and-file workers, both unions held strike votes on September 10. On the first day, the walkout had a massive participation of 80 percent of Correios' workforce.

A week later, on September 17, both union federations shut down the greatest strike of postal workers since 1985 after the Labor Court set a collective bargaining hearing for October 2. The Labor Court then dictated a salary increase of 3 percent—below the 4.3 percent rate of inflation in 2019—the denial of wages for the days workers were on strike and the acceptance of the company's demand to exclude the

parents of workers from the health care plan, except for those who are under medical treatment. According to a report in the daily *Agora* at the time, Fentect considered the agreement “strategic in the fight against the privatization of the company.”

During the eight-day strike, the CUT, CTB and other union federations kept the postal workers’ strike isolated, calling a demonstration for “national sovereignty” only after the strike had been called off.

Another measure that union federations considered a victory for workers was the Labor Court’s decision not to increase the workers’ contributions to the health care plan. However, on January 23, Federal Supreme Court minister Luiz Fux overruled the decision, allowing Correios to increase the workers’ contribution by 20 percent. This decision came after Economy Minister Paulo Guedes stated during the World Economic Forum in Davos that the American giant UPS would be interested in the privatization of Correios. The daily *Folha de S. Paulo* reported on January 15 that 40,000 workers could lose their jobs with the privatization of the company.

The postal workers’ union federations last week postponed an assembly initially scheduled for January 29 to decide on a strike to begin March 18, when the Brazilian union federations will hold a “National Day of Struggle”.

The struggle of Petrobras, Mint and Dataprev workers against the privatization of the companies takes place 25 years after the historic struggle of the federal public sector workers against the privatization program of the neoliberal government of President Fernando Henrique Cardoso (PSDB).

In 1995, after workers in the oil, electricity and telephone sectors, as well as federal university workers, went on strike in early May, the CUT isolated the 32-day strike of oil workers, the longest ever staged against Petrobras. Even as private sector workers carried out isolated strikes in solidarity with the oil workers, mainly in the so-called ABC industrial belt, Workers Party leader (and subsequent president) Luiz Inacio Lula da Silva went to the newspapers to say that the strike was causing problems for the population due to the lack of gas and fuel. After workers had been on strike for almost a month, he went on to say that, “if it were up to me and [then CUT president] Vicentinho, the strike would be over.”

This statement came after the cutting of strikers’ wages, government threats to arrest and fire workers who occupied refineries and brutal repression by the army, which occupied four refineries. The strike failed to prevent Petrobras from surrendering its monopoly on Brazilian oil exploration, in addition to having 73 workers laid off and the suspension for up to 30 days of thousands of others.

Today, the CUT and Lula are playing the same traitorous role as 25 years ago. Lula has kept totally silence regarding the Petrobras workers’ strike as well as the strikes by other federal public sector workers. As *Folha* columnist Bruno Boghossian noted yesterday, “Lula seems to have given Bolsonaro a break,” which “adds to the timid behavior of the opposition to the government.” Lula’s posture is an expression of what he said shortly after leaving prison last November: “There are people who say they need to overthrow Bolsonaro ... [but] he was elected,” adding, “Democratically, we accept the election result. Bolsonaro has a four-year term ... to govern for the Brazilian people”.

No other entity represents this “timid opposition” to the Bolsonaro government as well as the CUT. Last year witnessed the lowest number of strikes since 2013, with a little more than 1,000 strikes in 2019, half of what was seen in each year in the 2014-6 period. In the

strikes that were carried out, such as at Correios and by teachers in several Brazilian states, the CUT refused to mobilize broader sectors of workers, allowing the strikes to be isolated and shut down without workers winning their demands.

Since Bolsonaro was elected, the CUT has sought to “negotiate” the interests of Brazilian workers with the fascist president. In February and March of last year, CUT leaders met with his vice-president, Gen. Hamilton Mourão, to discuss Ford’s plant closure in São Bernardo do Campo. At the time, the president of the ABC metal workers union, Wagner Santana, said that “the country needs to have a strong industry that generates jobs ... it needs incentives, a stronger BNDES [National Development Bank] ... that will make Brazil a competitive country.” This chauvinistic appeal to the Bolsonaro government did not prevent Ford from closing the plan in October of last year, leading the same union to meet with the BNDES officials to request a loan for Grupo Cooa, one of the companies interested in the purchase of the plant for the purpose of exploiting low-wage labor.

The latest expression of the pro-corporate and nationalist policy of the CUT and the rest of the Brazilian unions was Monday’s demonstration in front of the Industry Federation of the State of São Paulo (FIESP), where Bolsonaro will meet with the employer group’s president. The demonstration was called against the “deindustrialization” of Brazil. Nothing has been said about the strike at Petrobras.

This pro-corporate union front has counted on the presence of Conlutas. Despite its rhetoric describing the defense of the national industry as “a delicate topic” and its initial statement that it “would not be part” of today’s demonstration, the federation ended up endorsing it. According to Conlutas national secretary, Paulo Barela, “there is a need for a united front” of union federations against the Bolsonaro government.

Petrobras workers and other federal public sector workers who are coming into struggle must draw the political lessons from the total capitulation of the union federations in the face of the Bolsonaro government’s austerity and privatization programs. The CUT, Lula and the PT are accomplices in the fascist president’s attacks. This has been made most apparent by the PT governors of the Northeast region of Brazil, who have imposed state pension reforms mirroring Bolsonaro’s own attack on pensions and backed the repressive policies of Justice Minister Sergio Moro.

To fight the attacks of Bolsonaro government, and its accomplices in the nationalist and pro-corporate unions, Brazilian workers must form their own rank-and-file committees with the aim of uniting workers of all sectors in the defense of jobs and working conditions and against the privatization of state-owned companies. Above all what is required is a revolutionary workers party to politically mobilize the working class in the fight for a workers’ government and socialist policies.



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