

Trade union struggles in Asia: Struggle for better working conditions and democracy

Sunday 15 August 2010, by [FORTALEZA Wilson](#) (Date first published: 12 August 2010).

Paper presented during the 2nd Asian Global Justice School, IIRE Manila, August 2010.

Contents

- [Labor conditions in Asia](#)
- [Fighting with or without \(...\)](#)
- [The many China](#)

Good morning comrades and friends. Magandang umaga at mabuhay!

First I would like to thank the Institute for inviting me here to share some views and inputs on a very significant and timely subject: trade union struggles in Asia.

Just a month ago, I was in West Java, Indonesia speaking on almost the same topic that I am going to discuss now – the conditions of the working class and their struggles in the Asia-Pacific region. Unfortunately the discussions in West Java were with lesser ideological substance since the occasion was, primarily, a religious activity – the Dominican Family's 8th Asia Pacific Justice, Peace and Care of Creation Regional Conference. Nevertheless, it was still a very interesting discussion as many of the participants of that religious forum are involved in the Church's social action work, which include trade unions.

I would assume, of course, that what was lacking in West Java is present here in Manila, as what I have seen in the course outline of this school for revolutionaries.

Now let me start with an interesting development that is happening right now in the Philippines.

As I stand before you today, a major face-off is going on at the labor department between the bosses of the Philippine Airlines (PAL) and its ground crew union, the PAL Employees Association (PALEA). The dispute: the planned mass layoff and contractualization of some 3,000 regular employees due to the planned spinoff and outsourcing of PAL's core functions to third party service providers. The bosses claimed it was hurting from the impact of the global economic crisis in the aviation industry and thus the need for a new business model to keep the company afloat.

The PAL union has been vigorously opposing the planned contractualization and has already staged several mass actions against it since early this year, and is now preparing for a full-blown battle in the coming days.

Five days ago, talks between the airline and its flight crew union, the Flight Attendants' and Stewards' Association of the Philippines (FASAP) also collapsed. The dispute: the management stood firm on its plan to lower the flight crews' retirement age to 40. It also failed to meet the union's demands for a new CBA. FASAP, which has more than 1,600 members, is already planning to file a

notice of strike any day soon.

A few days back, 25 of the airlines pilots walked out of their jobs and never returned back since. Their issue: opposition to their planned transfer to PAL's sister airline as the scheme downgrades their status and threatens their job security. According to the Airline Pilots' Association of the Philippines (ALPAP), more pilots are planning to follow suit if the management persists with its plan.

Combine these issues that the three unions in the airline find themselves in conflict with their common bosses and they have a common fight to build on - the fight for job security, their wages and benefits, and the defence of their unions. Conscious of this condition, the PALEA, FASAP and ALPAP are holding talks now for possible combined actions in case the situation gets worse.

Our party, the Partido ng Manggagawa (Labor Party-Philippines), is very much involved in the PAL workers struggle since 1998. That was when the airline embarked on a major rehabilitation project to weather the impact of the 1997 Asian financial crisis. The plan involves the mass layoff of thousands of its employees and non negotiation for new collective bargaining agreements.

The pilots responded with a crippling strike. After the pilots strike, PAL retrenched some 5,000 employees prompting the ground crew union under PALEA to stage their own strike, further crippling the operations of the flag carrier. PAL owner Lucio Tan responded with a threat to shutdown the airline unless the union accepts its proposal for a 10-Year Moratorium of their CBA. The workers rejected the proposal and continued with their strike. That was the time the Estrada government intervened, not taking the side of the workers but supporting Tan's illegal proposal for a CBA moratorium. Workers were then forced to accept the deal, or face the consequence of losing their jobs. The proposal was put to a referendum. The workers under duress, voted for their jobs. Ultimately the PAL-PALEA CBA has been suspended and a toothless, pro-management union emerged.

That was 12 years ago. Twelve years without a genuine union. Twelve years without a CBA. Twelve years of stability and PAL was able to recover. Only to say later that it needs to layoff the rest of its regular workers, making as alibi the impact of the ongoing global financial crisis.

Early this year, we were able to reclaim the union when our party members scored a landslide victory in the union elections. So I beg your pardon if I'm making a great deal with this information as we view this conjuncture a very important element in defending and developing the trade union struggles in the Philippines.

This is because the recurring and ever deepening labor disputes in PAL provides a glimpse of how contending class positions reach irreconcilable path and therefore the inevitability of resistance and the development of the class struggles to new heights.

This holds true in this case as the capitalist's attempt at annihilating the three PAL unions beginning 1998 obviously failed in the first round. Now they are going to push for a final charge, but they are likely to face a more resolute and solid resistance from the unions.

Having big and strategic unions stand and genuinely speak in behalf of the working class, for me, is an inspiring display of hope in a country where unions are being wiped out or rendered irrelevant, first, by the onslaught of imperialist globalization policies, and second, by the anaemic performance of traditional unions ruled by labor aristocrats, as well as the divisive politics of competing trade unions and labor federations.

Here we may face the problem of failing to develop this very important battle into a class war because the trade union movement in the country remains in a defensive position. But this may also

serve as an ignition coil to stir the reversal of that defensive mode by infusing the spirit of resistance and the importance of collective action among our people, especially the working class.

It is true that the trade union movement in the Philippines, for the last three decades, has significantly been weakened by the two factors mentioned above. Yet there are clear indications that while in general it remains in a defensive mode, trade unionism in the Philippines is far from oblivion as new generation of workers gain new knowledge in developing new forms of organizations for the defence of their rights.

Building a political party, like what we are doing now in PM, is one form of sustaining the necessary political work among all types of workers, transcending the traditional boundaries of competing trade union networks, and raising the workers' struggles to political questions. Organizing workers' associations at community levels is another. I will go back to this discussion later because there are pioneering efforts which lessons can be shared in this conference.

I want to make it clear, however, that developing new forms of organization outside of trade unions, cannot replace the very essence of trade unions thus entertaining any thought of shying away from trade union work, is great disservice to the working class.

Labor conditions in Asia

Before I proceed further, let me invite you to take a quick look at the overall picture of what the labour conditions in Asia really looks like to give you an idea on why the trade union movement in the region is generally weak compared to its counterparts in Europe or in the US.

We are aware that an informal economy is dominating the Asian economy because of its weak industrial base, save of course for Japan, South Korea, and the emerging giant, China who's now catching up with the industrial powers. Weak industrial base means weak demand for formal labor, thus the dominance in the region of non-industrial sections of the proletariat described then by Marx, as "unproductive labor".

The ILO describes this particular section of the working class as those under "vulnerable employment", defined as the sum of own account workers and unpaid family workers. An own-account worker is more popularly known as a self-employed person, while an unpaid family worker is a euphemism to what Filipinos fondly called as "palamunin" or a person whose subsistence is heavily reliant on family support such as free board and lodging.

Now what does it entails? Let us look at these tables:

Table A: South Asia, Vulnerable Employment, 1998-2009

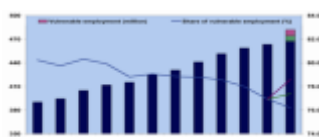


Table B: East Asia, Vulnerable Employment, 1998-2009



The first table shows the rate of vulnerable employment in South Asia and the second table in East Asia. Overall, an estimated 1.08 billion people or 60.4% of all workers in the Asia-Pacific region belong to this category. South Asia has the highest share at 75%. Note that vulnerable employment does not yet include those in the category of unemployed, which is close to a hundred million all over the region.

In addition, because the Asian countries' formal part of the economy is mainly export-oriented thus tightly connected with the global market, the impact of the global crisis leads to the further deterioration of labor conditions in the region. In China alone, at least 20 million workers lost their jobs last year due to factory closures as demand for Chinese exports slowed down. The same happened in the export zones in Indonesia, the Philippines, Thailand, and even in Singapore and Vietnam. In fact, even India whose export makes up less than 10% of its GDP is not spared from the crisis, with reported major job losses in its aviation, jewel and textile industries.

As pointed out earlier, the loss in formal employment definitely led to a shift to vulnerable employment as manifested in Thailand, Indonesia, and in the Philippines as shown in these tables:

Box 1
Wage employment and vulnerability in Thailand

Change in employment (thous.) second quarter 2007 versus 2007 and 2008 versus 2007

	2007-06	2008-02	2007-06	2008-02	2007-06	2008-02
Total employment	1,100	940	260	-160	127	-169
Employers	230	210	20	-20	0	-20
Government employees	130	130	0	0	0	0
Private employees	100	80	0	-20	0	-20
Unpaid family workers	870	730	-140	-140	127	-149
Unpaid family workers	870	730	-140	-140	127	-149
Unpaid family workers	870	730	-140	-140	127	-149

TABLE 9: Vulnerable Employment Indonesia

Category	2007	2008	2009
Total Employment	18,807,000	18,800,000	18,800,000
Total Employment Excluded by Family Members/Temp. Work	10,848,000	11,500,000	11,500,000
Employment with Protection	2,847,000	2,870,000	2,840,000
Unprotected	16,960,000	18,930,000	18,960,000
Unpaid employees in agriculture	5,070,000	5,000,000	5,000,000
Unpaid employees not in agriculture	4,857,000	4,780,000	4,750,000
Unpaid workers	11,927,000	12,780,000	12,750,000
Total	18,807,000	18,800,000	18,800,000

TABLE 10: Vulnerable Employment Philippines

Class of workers	April 2008	April 2009
Total	10,536	10,593
Wage and Salary Workers	10,536	10,593
Private household	0.5	0.5
Private establishment	10.5	10.5
Government/GOCC	0.5	0.5
With Pay/Family member/Unpaid	0.5	0.5
Other Accounts	10.7	10.9
Self-employed	10.1	11.1
Employer	0.6	0.8
Unpaid Family Workers	12.3	13.9

Now, if we have more than 60% or more than a billion workers falling under the category of vulnerable employment, then we have, in this region alone, almost 1/3 of the world's labor force living in extreme conditions - unemployed, unorganized, and without social protection. They therefore face far more complex struggle for jobs and social protection but without the muscles expressed in organizational form as in the case of trade unions in the formal economy. This is a major disadvantage, indeed, for the unorganized section of the working class. This is clearly an area where revolutionaries should never stop formulating new tactics to develop new forms of organization as well as new forms of struggle.

It doesn't mean, however, that because they lacked the organizations like that of the trade unions in the formal economy, unorganized workers have surrendered their fights against social neglect and

capitalist exploitation. It is not also a guarantee that trade unions, in all cases, would be capable of or effective in defending workers' rights.

That brings me to an interesting phenomenon already happening in this region, which for me, is bringing rays of hope and inspiration for the dwindling trade union and the workers' movement in general.

While it is true that trade union struggles and other struggles outside of trade unions are happening elsewhere in the region - which is a continuing affirmation of the theory of class struggle - revolutionary parties and movements, I would presume, always keep a keen eye on developing trends that foster revolutionary potentials. For there are struggles and there are struggles that are taking place every day, but some warrant a closer attention as they may offer important lessons necessary in carrying out our revolutionary work effectively in this very challenging time.

Of course the militant and powerful struggles by Korean trade unions have always been there. But the same militant and powerful struggles for better pay and better working conditions by the garment workers in Bangladesh are worth mentioning. The same is true for the successful struggles by the Indian workers, public and private, organized and unorganized, for social protection, as well as the union's struggle in Indonesia against high prices, wage hike, and better working conditions.

Here in the Philippines, our pioneering effort in organizing community-based workers' associations in export zones is already paying off, with their first successful strike conducted in Cebu export zone, where trade union organizing and mass actions are systematically suppressed for the last decades.

It was also the workers' association in Cavite that led the demonstrations at the export zone at the height of the global crisis in 2008 and 2009. The struggles served as baptisms of fire for workers who were first organized in communities where they live rather than inside factories. Now they are very active in their trade union work inside the export zones.

Fighting with or without the union

Of course those were good stories to tell or exceptional experiences necessary to share. But what catches my attention most in recent weeks is the major progress in the workers' struggle for higher pay and better working conditions in China.

It started in the second quarter of this year and the impact, I believe, is far reaching and I have no doubt, very inspiring.

The wave of strikes that hit and crippled the industrial heartland of China in Guangdong province beginning in May warrants critical examination. Not only because millions of Chinese workers participated and sympathized with the strikes. Not only were the strikes victorious as the bosses of giant firms Foxconn, Honda, Toyota, Nissan, Omron, and hundreds of other foreign companies, all accede to workers demand for higher pay, better working conditions, and democratic representations. Not only were the strikes successful in forcing local state authorities to introduce reforms in their enterprise management laws. Not only were the Foxconn and Honda strikes stirred the wave of strikes in the whole province of Guangdong and perhaps would continue to stir actions in other provinces and probably all over China.

But, most interesting of all in this emerging phenomenon is the fact that these strikes were led not by official trade unions but by spontaneous young leaders with instincts for fighting for labor rights.

As such, their actions were uncoordinated and unpredictable, yet militant and determined, as boldly declared in one of their battle cries: “No wage hike, fight to the end!”

As reported, these strikes were organized by young, independent and tech savvy leaders, who find the All China Federation of Trade Union (ACFTU), the largest trade union in the world with more than 200 million members, irrelevant because, despite the sub-human working conditions in the ‘world’s biggest factory’, it doesn’t speak on behalf of these workers.

In effect, the ACFTU is consciously being ignored by these young and radicalizing workers, although as the country’s only official trade union, it participates in actual negotiations with company managements. As the strike movement develops further, the ACFTU is faced with the daunting task of bringing back its relevance, since despite being ignored, many workers still want to join the local ACFTU but are demanding new elections and greater independence of the trade unions. That, I believe, is a march towards the right direction in their struggle for trade union democracy.

Furthermore, the strikes were conducted in an environment that remains hostile to mass actions as state laws prohibit actions by independent unions. But the strikers prevailed, even in the absence of organized unions. They are very spontaneous and their powerful actions forced a more tolerant reaction from the state.

Most significant was the strike winning the battle for wage hike (around 24% increases) and other benefits, while provisions for better working conditions are being worked out by the state and private companies.

On the political side, the strike brought the workers closer to winning a right for democratic representation with a provision added in Guangdong’s enterprise management law that whenever 5% of workers in a company file a petition for a particular demand, an election shall be held for union representatives to represent the workers in the negotiations. Isn’t it sweet victory in the mean time?

Now where does this strike movement in China leading into? Honestly I would tell you, I don’t know. What is clear to me, however, is that the growing strike movement in China provides a preliminary answer to an allegorical question on whether there is really genuine thing happening in China today. Yes there is a real one, and this is the strike movement driven by a genuine desire by workers to fight for their rights, which for Marxists, is the basic element in the development of class struggle.

What is also clear to me is that young workers are beginning to learn the power of strike, where the last expression in China was during the strike movements of 1926-29. It was reported that at least one demonstration or wildcat strike is happening all over China everyday even prior to the May-July strike waves in Guangdong province. That is probably true and it only goes to show how isolated, independent, and spontaneous actions of workers assume a definite direction toward a real class struggle.

The many China

I would like to end this presentation by asserting that the other parts of Asia, or the other parts of the world, are in fact the many China in the world of capitalism. The sweatshops in Bangladesh, Burma, Cambodia and elsewhere, including India or here in the Philippines, speak of the same sub-human conditions being suffered by Chinese workers. Low pay and suppression of labor rights are also common in almost all export zones in the region.

As a matter of fact, vast incentives or creating conditions for stable investments are provided by many governments to foreign capital to discourage them from relocating elsewhere. To do that, Asian governments have to create more China in their own backyards to compete if not to prevent the outflow of FDIs to China. And that means keeping a regime of cheap and flexible labor to the max.

In other words, the crisis of the global capitalist system has created more China anywhere else. Thus, if we talk about China, we are talking about the general conditions of labor in the third world.

But isn't it true also that along with the creation of many China is the birth of new generation of workers who are fast getting conscious of their class position in society, who in fact, are now demonstrating the wisdom of using their newly-discovered power?

Yes, that is happening in China. Yes that is happening elsewhere in different scale and intensity. And they will keep on happening until workers find no more reasons to keep it happening.

Wilson Fortaleza,
Partido ng Manggagawa
