

Pakistan Telecommunication Corporation Limited (PTCL)

## Battle Lost Despite Heroic Fightback?

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The Pakistan Telecommunication Corporation Limited (PTCL) workers made headlines all across the world throughout the month of June due to their heroic struggle against privatisation of PTCL. Their heroic occupation of PTCL headquarters and a weeklong strike compelled the military government to indefinitely postpone the privatisation on June 3. The PTCL bidding was scheduled for June 10.

The suspension was however a ploy to win some time to break the most militant struggle so far against privatisation in Pakistan.

The privatisation process in Pakistan started in 1988 when Benazir Bhutto was elected to power after 11-year military rule. Owing to weakening of trade union movement, prevailing lack of political activity and low level of class struggle there was hardly any resistance offered by workers to privatisation. For next ten years, the rulers could privatise over 100 state enterprises without any big hindrance. The right wing leadership of Pakistan Workers Confederation (kind of Swedish LO) played a dirty role in the process by lending support to privatisation process. First time, privatisation plans were defeated in Pakistan when teachers and doctors came out on roads in 2002 against the privatisation of hospitals and colleges in Punjab province. This proved a turning point. The privatisation of Karachi Electric Supply Corporation (KESC), a state enterprise supplying electricity to country's biggest town, in 2003 was not that smooth. The KESC workers resisted but the union leadership was sold out.

The real shock for the government was however PTCL workers.

The PTCL, employing 65000 workers, is the third largest state enterprise after Railways and Wapda (electricity department). As soon as the government announced the date to sell 26 per cent shares of the PTCL on June 10, nine major PTCL unions formed an action committee and announced a strike. The successful strike not merely took government but whole Pakistan by surprise. A shocked military government announced a postponement and accepted all the 28 demands (including pay raise) presented by the Action Committee.

This heroic fight back and popularity of the strike forced the opposition to lend support. Until now the government has been selling state enterprises on the plea that these were running in loss. But the PTCL that earned Rs 29 billion revenue last year, is a profitable organisation. Also, previous privatisation experience has convinced people in Pakistan that privatisation instead of bringing improved services, only brings hike in price besides rendering thousands jobless. The PTCL privatisation is likely to cause 20,000 redundancies. No surprise therefore if major opposition parties including fundamentalist alliance MMA lent support to PTCL workers. The MMA went as far as threatening to re-nationalise PTCL in case it came to power. The major opposition party, PPP of Benazir Bhutto, also opposed the privatisation. Ironically, the fundamentalists were bitterly opposed to the nationalisation drive of first PPP government in 1970s when Zulfikar Ali Bhutto reached the corridors of power riding a popular tide for socialism in Pakistan. PPP is no less hypocritical since it was PPP that started the privatisation process in 1988.

But MMA or PPP 'support' was mere hypocrisy. The most important development was the formation of Anti Privatisation Alliance (APA) comprising major left groups, trade unions and NGOs. Despite these developments, the government however was secretly going ahead with its dirty plans through dirty means.

It announced June 18 as new date for bidding. Meantime, PTCL installations were taken over by military troops on June 11. The PTCL Action Committee announced a strike on June 15 and threatened to jam the communication. A panicked regime cracked down.

More than a thousand PTCL workers were arrested. Those arrested are reportedly being held under the country's draconian anti-terrorism laws. Interior Minister Aftab Ahmed Sherpao said strike leaders could be tried as "terrorists." Pronouncing the PTCL workers' strike "illegal," Sherpao said that those who are "threatening the government against the privatisation of PTCL are terrorists according to the law. They will face trouble if they continue their anti-state activities."

In a form of state kidnapping, police and security forces seized the relatives of some union officials and militant workers who evaded arrest. The PTCL management also fired at least 28 union leaders and threatened to dismiss thousands of workers on short-term contracts if they did not break ranks with the strike.

The severe blow to fight back was however a sell out by section of Action Committee leadership. Two Action Committee leaders came on state TV and called off the strike spreading confusion. Though they were termed traitors by rest of the Action Committee but the government managed to divide the rank and file besides spreading confusion. Meantime, a vicious propaganda and media campaign was launched against the striking workers. The June 15 strike was postponed to June 18. The strike did not succeed and the government was able to sell the most profitable state enterprise on June 18 to a Dubai-based business concern Etisalat. It was one of the three bidders left. Another nine bidders shied away following the strike and struggle by PTCL workers. The selling of 26per-cent PTCL share fetched \$1.5 billion. That makes it the biggest privatisation drive in Pakistan. But the heroic struggle by PTCL workers was also the biggest fight against privatisation so far. Having won a fight on June 3, the PTCL workers it seems have lost the battle on June 18. The Action Committee and Anti Privatisation Alliance however vow to continue the fight. A final outcome is not yet sure.