Iraq's Labor Upsurge Wins Support from U.S. Unions

By David Bacon | July 28, 2004

Once the U.S. occupation of Iraq began over a year ago, Iraqi workers lost no time in reorganizing their country's labor movement. Labor activity spread from Baghdad to the Kurdish north, with the center of the storm in the south, in the oil and electrical installations around Basra, and the port of Um Qasr.

Workers quickly discovered that the occupation authorities had little respect for labor rights, however. Once the U.S.-led Coalition Provisional Authority (CPA) took power in Baghdad in March of 2003, it began enforcing a 1987 law banning unions in public enterprises, where most Iraqis are employed. On top of this, CPA head Paul Bremer added Public Order #1, banning pronouncements that "incite civil disorder, rioting, or damage to property." The phrase civil disorder can easily apply to organizing strikes, and leaders of both the Iraqi Federation of Trade Unions (IFTU) and Iraq's Union of the Unemployed have been detained a number of times.

The Al Daura oil refinery near Baghdad. Photo: David Bacon

Labor repression in Iraq, however, has provoked U.S. unions into speaking out against the war and occupation in a way unseen since Ronald Reagan's wars in Central America. Bremer's hostility towards labor made it onto the radar screen of U.S. unions last fall, when a delegation sent by U.S. Labor Against the War (USLAW) to make contact with the country's reborn workers' movement brought back accounts of the suppression of labor rights. This spring USLAW, encompassing U.S. unions and labor councils representing hundreds of thousands of members, organized a fund-raising campaign for Iraq's new unions. This June in Geneva, Neil Bisno, secretary-treasurer of SEIU Local 1199P, delivered $5,000 checks to the IFTU and the Workers' Councils and Unions of Iraq.

Last January AFL-CIO president John Sweeney condemned enforcement of the 1987 law and called on the CPA "to allow Iraqi workers to associate together and participate collectively in rebuilding the economy." The AFL-CIO and other international labor federations began working with the International Labor Organization to redraft Iraq's labor code, which could lead to dropping the 1987 prohibition.

Labor Opposition to the Occupation

In the meantime, however, the National Endowment for Democracy (NED), with a history of cold war intelligence activity, began offering funds for U.S. government labor programs in Iraq. Some USLAW activists fear that NED involvement will endanger more progressive parts of the country's labor law, such as guarantees of healthcare, housing, and education, as well as involve unions in administering the occupation.

This June, U.S. labor opposition to the occupation had grown so strong that two of the AFL-CIO's largest unions, the Service Employees International Union (SEIU) and the State County and Municipal Employees (AFSCME) passed resolutions calling for withdrawal of U.S. troops and respect for the rights of Iraqi workers. The California Labor Federation, with one-sixth of all U.S. union members, followed suit.

As labor's campaign to unseat Bush grows stronger, opposition to the Iraq war and support for that country's new labor movement have become election issues for thousands of U.S. workers.

Iraqi Labor Resurgent

Low wages have driven the upsurge in Iraqi labor activity, including three general strikes in Basra alone. Following the arrival of U.S. troops, Iraqi public sector workers began receiving emergency salaries dictated by the Coalition Provisional Authority—roughly from $60 to $120 monthly. Then the CPA's Order #30 on Reform of Salaries and Employment Conditions of State Employees last September lowered the base to $40, and eliminated housing and food subsidies.

Wages for Iraqi longshoremen, working for the port authority in Um Qasr, were cut even further when the occupation started, because their profit sharing arrangement, in which they'd received 2% of unloading fees, was terminated. When authorities decided in October to pay them in Iraqi dinars instead of dollars—another sizeable loss—the workers began organizing a union.

On the day they were set to vote on the officers for their new union, Port Director Abdel Razzaq told them the election was cancelled because of the 1987 prohibition. In November, he fired three port workers for trying to organize.

In January dockers struck briefly over the low wage scale, blocking anyone from entering the main gate. They grew angrier when managers decided to pay them in old banknotes, worth only 75% of new ones. In the melee that ensued, Razzaq's office was occupied, and the demonstration only ended when he was rescued by occupation troops. Since then, workers charge that a private militia protects him.

On hearing about the firing of the Um Qasr longshoremen, San Francisco's International Longshore and Warehouse Local 10 condemned the action. "You are not alone," President Henry Graham told them. "If dockworkers in the rest of the world hear about your situation, you can count on their support." West coast dock unions stopped work on March 20, to coincide with worldwide demonstrations on the anniversary of the Iraq invasion.

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Iraqi workers and unions charge that the U.S. is keeping wages low to attract foreign investors, as Washington plans the privatization of Iraq's economy. The Bush administration sees Iraq as a free-market beachhead into the Middle East and South Asia. A year ago it put Tom Foley, a Bush fundraiser, in charge of private sector development for the CPA.

On September 19, 2003 the CPA published Order #39, permitting 100% foreign ownership of businesses, except for the oil industry, and allowing repatriation of profits. Foley then listed state enterprises to be sold, including cement and fertilizer plants, phosphate and sulfur mines, pharmaceutical factories and the country's airline. While sales were delayed until after the June handover, the goal remains unchanged, and Iraq's new constitution forbids changing these measures.

The threat of privatization and the influx of U.S. contractors have caused more labor unrest. Workers fear that new corporate owners will cut costs by laying off workers. Companies with fat reconstruction contracts are already trying to perform work previously done by Iraqis. Iraq has no unemployment benefits or any welfare system, so the loss of a stable job in a state enterprise condemns a family to hunger and misery. One obvious advantage, therefore, of having a union is gaining a voice in decisions about privatization and contracting.

Oil workers in the Al Daura refinery. Photo: David Bacon

Contesting the Contractors

Conflict over reconstruction work boiled over last October in a two-day wildcat strike at the Bergeseeya Oil Refinery near Basra. Kellogg, Brown & Root (KBR), a division of Halliburton Corp., was given a no-bid reconstruction contract to repair oil facilities. KBR brought in a Kuwaiti construction company, Al Khoorafi, using Indian and Pakistani workers. To protect their jobs, Iraqi workers threw them out and protested outside the company's offices.

At the Southern Oil Company, workers then organized a union. Headed by Hassan Ju' ma, they banned foreign workers following the Bergeseeya action. KBR tried to get them to accept its foreign staff but local workers refused to budge. "Iraq will be reconstructed by Iraqis, we don't need any foreign interference," Ju' ma said.

Then, in December, Southern Oil Company workers began challenging the wage schedules. They surveyed prices, and proposed a monthly minimum of $85. Workers threatened to strike and shut off oil production, and said they'd join the armed resistance if occupation troops were called in. The Oil Minister immediately flew to Basra, where he agreed to return to the pre-September scale.

In January, unrest spread to the Najibeeya, Haartha, and Az Zubeir electrical generating stations, where workers mounted a wildcat strike, stormed the administration buildings, declared the September wage schedule void, and vowed to shut off power if salaries were not raised. Again the ministry agreed to return to the old scale.

Southern Oil Company unionists finally forced the CPA to raise wages, with extra pay for working in risky or isolated locations, often attacked by the armed opposition. Following another walkout in February at the Basra Oil Pipeline Company, the SOC wage schedule eventually spread to most worksites in the oil sector. Workers then took the fight to power stations, where they threatened to stop electrical generation, potentially halting all other industries.

Samir Hanoon, vice president of the Iraqi Federation of Trade Unions in Basra, warned that if the ban on unions wasn't lifted, "we will take other actions—protests, demonstrations and total shut-downs. We realize that there may be some sacrifices but we are ready to accept them. Our real problem is with the CPA."

The installation of the interim administration of Issad Allawi at the end of June did not improve either salaries or respect for labor rights. Hanoon's warning seems as unheeded by Baghdad's new authorities as it was by the CPA.

(David Bacon is a reporter and photographer specializing in labor issues and a regular contributor to Foreign Policy In Focus, online at www.fpif.org. Ewa Jasciewicz, in Basra for Occupation Watch earlier this year, contributed to this report.)

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