

## Strikes and the power/lessness of the union

### Abstract

*The aim of this article is to identify, on the basis of an analysis of the causes, course and effects of strikes in Serbia over the last three decades, the mechanisms by which society and trade unions have moved from self-management mythology to the defence of inadequate wages and 'decent, dignified work' as the height of their ambitions. The drama of the decay of labour and trade unions, as well as the crisis of society, is presented in three chronologically-related acts. The first describes the process of decay concealed behind the call for patriotism; the second is the democratic introduction of capitalism through 'predatory privatisation'; and the current, third, act illustrates how neoliberal populism seeks to pacify any resistance among employees and autonomous unions by creating surrogates through political clientelism and party employment. The result has been heroic, but futile, protest actions rooted in despair and located somewhat away from the logic of collective action. The author concludes that change and re-collectivisation remains possible but there has to be a developed strategy and a unity between the actors.*

**Keywords:** strikes, trade unions, changes, class compromise, industrial relations

### Prologue: Strike – from revolutionary myth to defensive enforcement

In this article, I proceed from a conflict theory of power and an understanding of industrial relations as a conflictual partnership between the agents of labour and capital – trade unions and employer associations – to one in which the state, also itself an employer, is creating a regulatory framework that simply reflects the established power relationship. I see the strike, its causes, course and effects, but also the very change in the rules of the game that regulate it, to be a barometer of the current redistribution of influence and power.<sup>1</sup>

- 1 The high cost of a strike, as an open unregulated conflict, forces the agents of labour, capital and political power to reach a compromise and a more or less developed degree of institutionalisation. Logically, an industrial relations crisis occurs when the system comes out of relative balance – a balance of power in favour of a dominant actor and/or coalition. The message is, in fact, that the state of the conflicting partnership is 'fluid' and variable. It is determined, above all, by the distribution of market power (control over the work process, changes in the labour market) and then by political power (the rating of a certain idea/concept and the number and influence of those captured by it on the political market). The level of penetration that we have seen from turbo-charged globalisation practices, the process of digitisation and the precarisation of work in the name of flexibility, and the resulting domination of the corporate elite and the weakening of trade unions, have the power of a paradigmatic shift. The reduction

The basic thesis I argue is that an analysis of strikes, but also the evolution of attitudes towards the strike as a means of workers' struggle, helps us understand the road that we have travelled. This has taken us from (1) revolutionary unionism and the myth of the general strike as an instrument of revolutionary change, through (2) the 'normalisation' and the regulation of strikes within the class compromise expressed by the welfare state and pluralist approaches to industrial relations and dialogue, to (3) the current attempt to defend even the principle in circumstances in which the strike – within the disrupted distribution of power in favour of corporate capital in post-democratic or authoritarian-populist regimes – has now come to be regarded as the last and unwanted method of defending the interests of employees and trade unions when there is simply nowhere else to go.

The strike is a complex phenomenon that resists definition and leads to many controversies.<sup>2</sup> Notwithstanding all its numerous developmental forms, it is indisputably a method of workers' or trade union action which implies the interruption of work until certain demands are fulfilled. For example, the current law in Serbia defines the strike as an interruption of work organised by employees to protect their work-related professional and economic interests (Marinković 2001; Marinković 2012; Ivošević 2009).

Strikes are a powerful activist tactic that have an immediate effect since they represent direct financial loss for employers and business owners. The result should be the strong focus of the latter in addressing the demands as well as in attracting the attention of the general public, but the outcomes should also provide a clear demonstration of union unity and a commitment to the needs of union members that cannot be ignored (Hadži-Kostić 2018: 9).

A 'creative' contribution of current strike practice in Serbia, and a reflection of the powerlessness of trade unions and employees, are, however, defensive strikes in companies in which the volume of work has already been reduced or which have gone bankrupt, or where such action does not mount a challenge to the entrepreneur's business.

In terms of the quantitative criterion – that is, the extent of the demands being made and the person to whom they are addressed, a strike can take place in a workplace, in a particular industry or it can be a general one. As for the way a strike is carried out, we may distinguish between:

- warning strikes
- circular or blockage strikes in which individual work processes are either successively stopped or, alternatively, where the protest focuses on the most vulner-

of strikers' demands, as well as of collective bargaining and effective social dialogue practices, are the expected – and intended – consequences (Stojiljković 2019a: 435).

- 2 There are numerous forms of worker action aimed at causing damage to the employer which, in theory, are called strikes although they are not so where they do not possess all the characteristics of a strike. These forms are: stay-aways from work (a 'grey' strike); work-to-rules; work-ins, where workers occupy the workplace and re-start production; and hunger strikes.

able elements of the work process in order to achieve the maximum effect with minimum cost

- sit-down or sit-in strikes, where a particular factory or institution is occupied.

From the point of view of trade unions, a particularly interesting category is formed by spontaneous ('wildcat') strikes – a collective cessation of work not organised by the union or endorsed by it during its length. Underlying these strikes may be the clientelist position of 'yellow' unions towards employers and the state; they may reflect the absence of communications between union structures and workers; and occasionally they may become politically instrumentalised, not supported by unions or the majority of employees.

### Normative regulation and institutional framework

During the great period in which unions and strikes went unrecognised by non-institutional factors, the myth of the general strike lay beneath the ideas of revolutionary trade unionists and anarchists for radical change in class society. The socialists assembled at the Second International also naively (or not sincerely) believed that a general strike by workers would, for example, end World War I. Both then, as well as in the case of the war and break-up of former Yugoslavia, it turned out that the ethnic alignment of workers and their trade unions had catastrophic consequences for themselves.

Within the class compromise achieved after World War II – that is, within the concept of social partnership between labour and capital – labour law standards recognising the right to strike were extended to all workers, either explicitly or implicitly, and together with other collective labour rights, regardless of the legal basis of their work for the employer.

The right to strike is primarily prescribed by national constitutions and laws, but also by numerous international instruments. In the context of such global sources for the right to strike, the documents adopted by the International Labour Organization are particularly significant. No recommendation or convention directly regulating the issue of strike action has been adopted within the ILO, but such a right is considered to be implicitly recognised by the Convention on Freedom of Association. Furthermore, the Resolution of 1970 on trade union rights and their relationship with civil liberties invites the Governing Body and the Director-General of the International Labour Organization to take action in several directions to ensure full and universal respect for trade union rights in the broadest sense, and encompassing the right to strike (Gernigon *et al.* 2000).

As for the European concept of strike regulation, this is characterised by non-uniformity as well as numerous communitarian and non-communitarian sources of law.<sup>3</sup> Case law also plays a significant role (Bojić 2010; Kostić 2014).

- 3 The term European non-communitarian labour law implies those documents produced under the auspices of the Council of Europe, the most important of which are the 1950 European Convention for the Protection of Human Rights and Fundamental Freedoms, the European Social Charter and the Revised European Social Charter. The right to take collective action is, in most European countries and with the exceptions of Austria, Belgium, Luxembourg, Malta,

However, all this regulation has ended up in a position in which the object of negotiation and the quest for an acceptable balance of power has thus extended not only to the strike demands themselves but also to the normative design and the conditions for organising a strike at an acceptable social cost, covering many or even all of the following issues:

- the manner of deciding to go on strike
- the obligation to have a specific quorum and an obligation to vote on the strike
- the obligation to announce the strike
- the obligation to resort to conciliation and/or voluntarily accepted arbitration before going on strike
- the obligation to establish measures to ensure the protection of health and safety at work
- the obligation to maintain minimum service levels
- conditions regarding the representation and organisation of the strike (including strike committees).

Rules have, however, also been put in place which limit lock-outs by the employer and which guarantee strikers' rights.<sup>4</sup> Additionally, we should observe that strikes can, as a rule, be specifically prohibited only during war and in emergency situations, as well as in some essential public services.

### Regulatory strategies designed to marginalise the strike

One of the reliable indicators of the power and political influence of trade unions is the 'class struggle in the field of law', especially the efforts of employer-based lobbying to weaken the position of trade unions through a strategy that toughens the conditions under which strikes must be organised and which extends the deadlines for doing so, thus preventing in practice broader 'political' and solidarity strikes.

the Netherlands, Ireland and the United Kingdom, constitutionally guaranteed. In Germany and Finland, this right arises from freedom of association. The lack of precise legislation, however, has imposed the need to regulate the issue through developed case law. This is the case in Belgium, Denmark, France, Germany, Greece, Italy, Luxembourg and the Netherlands. Greece and Ireland represent two countries where this topic is governed by both the law and judicially-established precedent, and this is somewhat true of France, at least in relation to the public sector (Warneck 2007).

- 4 The lock-out is a temporary closure of a business premises by the employer, or a prohibition on a sufficiently large number of workers preventing them from accessing their workplaces, in order to put pressure on workers and the union to give up their demands. The different types of lock-outs may be: preventive or attack-based (where the employer decides to implement a lock-out before the strike); defensive (the employer decides to implement a lock-out after the strike has started); *ex-post* or retaliatory (a decision on the lock-out is made after the strike has ended); and solidarity lock-outs. An employee participating in a strike is exercising basic rights in employment, except for the right to a wage, as well as social security rights (in accordance with social security regulations).

During a strike organised under conditions laid down by the law in Serbia, the employer may not employ 'strikebreakers' to replace strike participants unless the security of persons and property is endangered; it is necessary to maintain a minimum process that ensures the security of property and people, or the fulfilment of international obligations.

### *Methods of organising and holding a strike*

Instead of negotiating with strike leaders on overcoming the problem which has led to the action, employers often use the time between the strike announcement and its commencement to 'persuade' strikers to abandon the idea. Methods of influence vary, from promising privileges to those who quit the strike, through 'friendly advice' that what they are doing is unwise, to open threats and pressures (threats of dismissal, downgrading, fines, withholding of assistance, etc.).

The counter-strategy of the union should be to seek to shorten the deadline for announcing the strike and to allow spontaneous strikes to be held in the event of a violation of basic labour rights (Miljković 2004a; 2004b).

### *Special strike regimes*

The ILO Committee on Freedom of Association stipulates that limiting the right to strike under minimum service requirements laws is only permitted in essential public services, examples of which are listed by the Committee as: the hospitals sector; water and electricity supply; air traffic control; the police and armed forces; fire-fighting services; prison services; the provision of food to pupils in schools and school cleaning services; and telephone services. With regard to civil servants, the right to strike may, in the opinion of the Committee, be restricted or prohibited only among civil servants acting on behalf of public authorities.<sup>5</sup>

Indicatively, there are many examples in Serbia of established minimum service requirements that go beyond international law and practice. One of the most problematic is the minimum service level required by law of teachers and non-teaching professionals in primary and secondary schools – of thirty and forty minutes per hour, respectively – within the daily schedule. This represents between 65 per cent and nearly ninety per cent of their regular hours, rendering meaningless any right to strike in such activities (Miljković 2006).

Therefore, the key problem in Serbia is that activities which prohibit a strike are defined too widely, as are those activities of a general interest in which strikes can be organised only where a unilaterally-established and broadly-defined minimum service requirement is ensured.

### *Political and solidarity strikes*

A political strike is a strike the purpose of which is a demand that cannot be directly fulfilled by the employer; the object is a demand which has a labour law nature but where its fulfilment is owned by the state or the legislator. In the view of the ILO Committee on Freedom of Association, purely political strikes do not fall within the scope of the principle of freedom of association, but unions should be able to have recourse to protest strikes, especially where these are aimed at criticising a government's economic and social policies.

- 5 In Serbia, strikes are not allowed for full-time members of the Serbian Armed Forces, in medical institutions providing emergency medical care and for members of the Security Intelligence Agency (Kostić 2014).

According to Serbia's 2018 draft Law on Strikes, a solidarity strike in Serbia cannot be used to support strikers in another employer unless that employer belongs to the same industry and is located in the same area of the country. Solidarity strikes and support for strikers abroad are also excluded, while the duration of such strikes, even where they are legal, is limited just to one day. Such restrictions largely make solidarity strikes pointless as a means of union action.

The draft Law does bring about some significant improvements when compared to the current Law on Strikes, adopted in 1996. For example, it legalises the practice that employees may rally outside the employer's business premises; that they are entitled to wages and salaries if the reason for the strike are unpaid wages and salaries; and that only a court can declare a strike unlawful. Furthermore, the draft law also strengthens the powers of the Labour Inspectorate. Nevertheless, the draft Law on Strikes is far from an umbrella law since it also provides for the codification of other special laws, by-laws and regulations already in force and restricts the right to strike in many activities (Stojiljković 2018).

### A shorter history of Serbian employees' experiences with protest in the period of transition

In the age of transition, workers' protests have passed through three tides and ebbs.

First, in the 1990s 'years of lead', newly-aroused protest actions were replaced by rallies around ethnic causes in which, in the words of Nebojša Popov: 'People came to protests as workers and left as Serbs'. After 1996/1997, workers 'awakened' and their resistance and withdrawal of support, as evidenced by the strike in the Kolubara mine, significantly facilitated change. This was followed by a short honeymoon for citizens and the new democratic authorities. After 2002/2003, in response to failed privatisations, bankruptcies and dismissals, there followed a new wave of protests. In an atmosphere of hopelessness, they sometimes assumed radical forms of hunger strikes and occupations of premises.

The specific feature of strikes in the age of populism is reflected in the (un)concealed support of the authorities for corporate capital and their own appointees at the helm of public enterprises, on the basis of a political formula which has been proven over the years – appeals to workers and citizens for their understanding and support for 'authorities who are working in the long-term interests of the people'.

#### *The era of patriotic decay*

The effect of the war and the economic collapse of the country on workers is best seen through movements in wages: in December 1990, the average wage in Serbia was 752 Deutsche Marks; two years later, it had fallen to DM 132; and, in September 1993, to DM 34 before, in December of that same year, reaching the mesmerising amount of just DM 5-10 (Pavlović and Marković 2013: 319).

War and economic blockade were also the framework through which workers became deprived of their economic power while the translation of social ownership and grouped shareholdings were fraudulently carried out via nationalisation. Without

managerial responsibilities and risk, socialist directors actually became managers and owners' representatives. It is somewhat cynical that this operation took advantage of an amendment to the privatisation law, proposed by the opposition, which sought to annul 'inflationary gain', i.e. ownership based on shares acquired under credit terms at the height of inflation.

The logic of survival for this – by all economic and social parameters – failed government (that is, the successful substitution of class identity with a threatened national identity), is best expressed by the successfully implemented, but unproductive, 'social marriage of convenience' established via the formula 'No lay-offs while sanctions last'. The point is that the government was able to pacify workers by introducing so-called 'forced leave' under which everyone who agreed to take leave of absence received eighty per cent of their earnings while also retaining all rights relating to employment. By the end of 1993, there were already about 600,000 workers on forced leave.

Workers did not quite give up on strikes during the 1990s. However, the most common causes for these, largely powerless, strikes were irregular wage payments and a lack of staple food items. For example, employees in education and health care demanded flour, oil and sugar (items commonly termed *BUŠ* in those times, after their Serbian acronym). In particular, with the aggravation of the crisis, hyperinflation and widespread civil protests amidst indications that a change of government was likely, there was a new wave of strikes.

Public attention was particularly drawn to workers at the FOM foundry in Belgrade, who organised a hunger strike following a decision by the factory management to put about 2,500 workers on forced leave. In the spring of 1995, textile workers, leather workers and shoemakers demonstrated at Union Hall to express their discontent at their demands being ignored. In the autumn, workers in the Rakovica industrial complex, makers of armaments in Kragujevac and the Serbian Power Sector (EPS) resorted to strikes. Teachers went on strike on 1 February 1996, completely ceasing work for four days, and more than 10,000 teachers rallied, with the parents of their pupils, outside the government building. In addition, health care workers suspended work for nine days between 20 and 29 May.

In late summer 1997, a strike broke out in the Belgrade City Transport Company (GSP). After the opposition won elections in Belgrade, the state suspended subsidies for fuel and parts, as well as any other form of support for GSP. A two-day strike reduced the number of vehicles on the streets to one-third of the regular amount and, for the first time in its 106-year long history, GSP vehicles remained in garages for six days.

However, what finally defeated Slobodan Milošević was a strike by the Kolubara miners. The strike officially began shortly after the elections, on 29 September 2000. A few days later, on 4 October, around 1,000 specialists from the Ministry of the Interior arrived at the mines, with the main organisers of the strike facing arrest on suspicion of endangering the security of the state. The next day the whole of Serbia was at Kolubara: the most wonderful event I have experienced in Serbia up to now. Radio Lazarevac reported on everything that was happening and, when forces were joined together, the resistance was broken the same day. The next day, hundreds of thou-



sands of people came from all over the country to Belgrade (Rusovac and Jovetić 2002).

The twelve-year long rule of Slobodan Milošević had ended thanks to strikes that eventually changed the balance of power.

The final milestone result of the first decade of pseudo-privatisation is that the unreformed economy operated in such an environment in a kind of a twilight zone marked by the clashing of the lobbies and clans which are close to the authorities over the distribution of monopoly rents and import-export quotas. Where the support of political patronage is forthcoming, the economy had, necessarily, taken on a directed-corrupt form – a Balkan variant of Weber's political capitalism amidst the transformation of political into economic power. However, it was also the scene of the same process in reverse: the politically corrupt, even criminal, actions of the 'new' economic power-mongers.

The influence of politics was decisive, often extremely arbitrary, and motivated by the narrow desire to stay in power. Thus, in this period, a pattern of rule was established that would continue to function during the following stages.

On the social stage, representatives of the public authorities and a few large, 'capable' private business leaders favoured by the government continually played the lead roles. All the others – the vast majority of the population, employees and unions, but also market-oriented private entrepreneurs – all became extras and, indeed, eventually losers in the process (Stojiljković 2011: 334).

### *The era of enthusiasm for the market and of the imposition of capitalism*

The revolutionary post-October euphoria and honeymoon between the citizens and the democratic authorities in 2000 was soon superseded by a severe sobering-up. The ensuing wave of strikes was the result of delayed reaction to the efforts of corporate capital, with the assistance of the authorities:

To seize, preserve and increase the most important sources of social power as soon as possible, with the least obstruction from employed workers. (Novaković 2005: 310)

The new political elite opted for privatisation as well as labour and social legislation that, in combination with the devastating effects of wars and destruction, further weakened workers' position. The Law on Privatisation, adopted in 2001, was the first step in this direction, followed by a 2003 amendment to this Law which introduced a ban on the bargaining of amendments to the provisions of a collective agreement in an enterprise undergoing privatisation. This provision violated European Union labour laws, as well as numerous conventions that emphasise there can be no violation or restriction of the right to collective bargaining (Stajić 2006: 25).

After initial confusion among trade unions amidst a reluctance to accept the role of a 'disruptive factor and a barrier to reform', a wave of strikes began from 2005. Strikes occurred in Zastava in Kragujevac; JAT Airlines; Nissal; Župa in Kruševac; and Autotransport in Kostolac. Miners also went on strike in RTB Bor and at Kolubara. The strike by aviation mechanics at JAT Airlines caught the attention of the



media as workers on strike were threatened with dismissal while strike-breakers were brought in from Tunisia.

Due to the highly unfavourable balance of power, industrial action after 5 October took on a very specific form. Workers replaced conventional work stoppages with more demanding and riskier forms of action, such as rallies outside government institutions and local parliament buildings, blockading roads and railways, taking part in hunger strikes and even engaging in various forms of self-harm.

The establishment of a pattern: the case of Jugoremedija

The struggle of the workers at Jugoremedija, a pharmaceuticals factory in Zrenjanin, began prior to this wave of industrial action but was the one which attracted the widest amount of attention from the general public.

Part of the workers had, while the 1997 Law on Privatisation was still in force, managed to buy shares in the factory and thus become its majority owners. The plant was doing well after the changes of 5 October, but the new government decided in 2002 to sell its stake to entrepreneur Jovica Stefanović. After a few months, Stefanović managed to prove to the Commercial Court that Jugoremedija owed a debt to one of his other companies. That debt was then converted into equity and Stefanović was registered at the court as the majority owner of Jugoremedija.

In order to draw public attention to these irregularities, the trade union leader, Vladimir Pecikoza, and a representative of the minority shareholders, Zdravko Deurić, chained themselves to the factory gate in 2003 to show their symbolic attachment to the factory. A few days later, a union at the factory declared a strike.

After a series of protests, the Privatisation Agency eventually decided in May 2004 to terminate the contract with Stefanović. The workers occupied the factory in the attempt to save the machinery, although no judgment concerning the ownership of the company had yet been given. Stefanović subsequently hired a private security company with the intention of regaining control of the factory. During the summer of that year, physical confrontations between workers and the security personnel engaged by management occurred on several occasions.

In August 2004, the local police in Zrenjanin arrested several workers after one such physical confrontation. To support the arrested workers, fifteen of their colleagues went on hunger strike, locking themselves in the city's union premises. In a conflict in which one co-owner maintained a private army, the government opted – as *B92*, the Serbian news station and television and radio broadcaster, commented – to tie the hands of the weaker one while the other one proceeded to beat him up (*B92* 2004). The Anti-Corruption Council warned the government that minority shareholders were being unjustifiably deprived of protection and in violation of their right to private property. Meanwhile, the workers remained persistent in their struggle, with protests continuing for another three years, attracting the interest of the media and critically-minded intellectuals worldwide who signed a petition to support the Zrenjanin workers.

Such levels of perseverance have not been demonstrated in any other case of workers' struggle. However, 14 years later, the state of Serbia has still not investigat-

ed the case even though it is one of the 24 disputed privatisations whose legality has been questioned by the European Commission and which features in a Resolution by the European Parliament on Serbia's integration process.<sup>6</sup>

### Strikes and crisis

After the 2008 global economic crisis, foreign investments drastically declined while Serbia was required to repay billions of euros of increased debt on its borrowings. The country was days away from bankruptcy. The shock therapy chosen by reformers as the path for the transformation of Serbia has led to an enormous increase in indebtedness and a further increase in the unemployment rate.

In a situation in which employees had been paralysed by the crisis, workers from unsuccessfully privatised companies were pushed to the forefront of the fight against government policy. In 2007 and 2008, the unions organised May Day protests with about 50,000 participants. The most frequent among the demands of the protesters were: payment of wage arrears; meal allowances; return from forced leave; cessation of dismissals; change of management; payment of contributions to maintain continuity of pensionable service; and a review of disputed privatisations (Musić 2013: 43).

Such direct action was often the result of a sense of hopelessness, isolation and frustration with the general level of disinterest in workers' problems rather than of a confidence in their own strength and a faith in the attainability of the goals of the strike (Musić 2013: 45).

### Blockade of institutions

Businessman Đorđe Nicović bought Nitex, the once-successful textiles factory in Niš. Its workforce of 2,400 had been reduced to one-third: just 800 employees who were receiving irregular wages below the minimum wage until payments stopped altogether in 2008. Nitex workers blockaded city institutions in Niš several times, seeking an urgent resolution of the problem.

A strike had been officially announced in November 2008, but was only noticed by the media in the summer of 2009, after some 500 factory workers had blocked entry to Niš City Hall for employees in their demands for the payment of wage arrears and the bridging of the gaps in pensionable service and the payment of contributions (Todorović 2009).

On that occasion, a group of workers climbed on the roof and threatened to jump off unless the state resolved their problems. Following this strike, the Privatisation Agency terminated the contract with Nicović and, in 2011, Nitex was bought at a public auction organised by the Agency by Benetton, the Italian fashion house.

6 European Parliament resolution on the European integration process of Serbia, available at: <http://www.europarl.europa.eu/sides/getDoc.do?type=MOTION&reference=B7-2012-0188&language=EN>.

## Hunger strike

Gradac, which manufactured screws in Valjevo, had been privatised in 2006, when Dušan Sekulić bought it for 81 million dinars (then about €900,000) through one of his companies registered in Moscow.

After privatisation, production levels dropped from 300 to 14 tonnes of screws per month, with workers thinking that production was reduced with the intention of shutting the factory down because of the attractive land on which it was located. Consequently, they went on strike in April 2010. The protest did not find an echo among the public, so seven workers occupied the factory and started a hunger strike, with no contact with the outside world. There were fears for the health of the workers when the plant management shut off the water supply in that part of the factory that the workers had occupied. The hunger strike lasted a full month before negotiations resumed, following the intervention of the state.

During the strike, Dušan Sekulić threatened lawsuits against all those who supported the striking workers. After the strike, he abandoned the re-organisation plan and bankruptcy ensued, followed by the liquidation of the company in which 260 workers lost their jobs.

## The threat of collective suicide

Zastava elektro showed the greatest amount of grit during this wave of strikes. The workers in this company managed to secure the support of citizens and persevere in a fight over respect for their rights, despite intense pressures.

At an auction in 2006, Ranko Dejanović bought seventy per cent of the factory's capital. On that occasion, he undertook to invest in fixed assets and production. However, on top of not receiving their wages for months, neither could the workers obtain medical care because Dejanović had not paid health insurance contributions. Among other things, it turned out that Dejanović and his partners had received more than 150 million dinars from the Development Fund of the Republic of Serbia to pay the debts owed to workers. However, the money was gone and the debts were not repaid. In March 2009, workers went on strike with a demand for the payment of wage arrears. Over the coming months, they organised protests in front of the local city hall, the police station and the headquarters of the Privatisation Agency in Belgrade. They also blocked the railway by lying on the rails in a threat of collective suicide (Musić 2013: 47).

Under public pressure, in September 2009, Ranko Dejanović relinquished his ownership in favour of the Republic of Serbia. After Yura, the new owner, took over the factory, the workers opted to leave with severance pay.

We could conclude that such heroic, but futile, resistance is the result of the cumulative effect of:

1. the privatisation process chosen
2. a climate characterised by the dissemination of pro-market mantras that this is something to which there is no alternative

3. the crisis of solidarity and a spread of the fear of job loss
4. parallel pacification of the unions and a targeted changing of the labour legislation to the detriment of workers.

The process of 'imposing' capitalism only become harsher and more visible as the economic crisis erupted. Indeed, the essence of the far-reaching transformation of power relations was very presciently expressed by Dragana Maletić (2012: 42):

Ever since economic experts overnight transformed socially-owned property into private property, and workers into *miserables* on standby, living on humanitarian aid, soup kitchens, occasional small-scale underground jobs and political promises that production is about to start, social revolt has escalated, year after year. The escalation of the social revolt went hand-in-hand with the incompetent running of companies and managers' arbitrariness to which the new labour laws, not very generous to the workers, offered many opportunities.

### *Strikes in the populist 'Jurassic' era<sup>7</sup>*

The fight against corruption and tycoons and, in this context, for the revision of 'predatory privatisations', was the most promising pre-election strategy for decades. During the 2012 campaign, the Serbian Progressive Party was the most vocal advocate for the revision of controversial privatisations in which the state had sustained damage amounting to millions of dinars. When he came to power, Aleksandar Vučić said that one of the government's priorities would be to examine those privatisations which the European Commission had assessed as controversial. However, the final outcome of such a process is still nowhere in sight.

Meanwhile, against the backdrop of stabilising and consolidating the economy, as well as reducing an over-sized public sector, a model of economy has been perfected that, in fact, functions as a fusion of predatory, corporate and party capital and capitalism. At the same time, turning to employment, we can see that the level of the precarisation of labour has only increased through the use of: workforce leasing and temporary employment agencies; the encouragement of vulnerable and difficult forms of (self-) employment; work in the informal sector with or without a contract; and the growth of the 'gig economy' in the media and creative industries.

When strikes and widespread social protests occur, despite the established safety net of party appointments and recruitment, the government either declares that it has no competency over the issue or otherwise discourages protest and – as in the strike action in Fiat-Chrysler in 2017 – seeks to establish that there is a political background to the concerns being mounted.

The entire payroll being paid out of government funds in per-worker subsidies, on top of the amount of investment funds and other government aid which had been provided to Fiat-Chrysler, as well as Prime Minister Brnabić's persistent and remorseless pursuit of the hidden political backdrop to the strike, are more than illus-

7 The Yura Corporation is a South Korean conglomerate engaged in cable manufacture and an investor in Serbia following its purchase of Zastava elektro. There are many complaints about its treatment of workers: see, for example: <https://www.business-humanrights.org/en/yura-corp-factory-workers-complain-about-alleged-abuses-including-beatings-sexual-harassment-non-payment-of-wages-denial-of-freedom-of-association>.

trative of a pattern of established behaviour. Previously, the government, supporting the ‘practice’ of the Italian employer in not negotiating under the pressure of a strike, had sought to put pressure on the workers by demanding that its mediation be rewarded with a decision to suspend or ‘freeze’ the strike. Ultimately, the strike ended with a Strike Cease Agreement which was treated as business confidential. This is obviously a creative practice that is repeatedly in violation of one’s own legislation.

Such strikes thus speak to the positions being taken – the state acts as a second to corporate capital. The state fails to implement its own legislation as regards foreign owners and the public companies they create are occupied with the distribution of the spoils – the aid they are provided with allows them not to pay taxes and contributions, insurance, health care for employees and even their utilities bill.

A state that cannot provide its citizens with the means to collect what they have honestly earned for their labour is no more than a form of interest coalition among the rich and the powerful. Otherwise, it would not be possible for workers to file twelve criminal charges against those responsible for the tragedy in Goša,<sup>8</sup> without any of them having been prosecuted. Article 163 of the Criminal Code is quite clear in terms of responsibility:

Whoever deliberately fails to comply with the laws or other regulations, collective agreements and other general acts on labour rights and thereby deprives or restricts another person’s right shall be punished with a fine or imprisonment of up to two years.

Instead, the state proposed bankruptcy for Goša while, at the same time, assisting the owner reschedule debts to the state in respect of unpaid taxes and contributions (even though the debt relating to unpaid contributions is actually a debt to the workers). In the end, in the midst of crisis and strike action, a company that owed about €4m (500 million dinars) in taxes and contributions alone was sold to another foreign company with, quite probably, a dubious ownership structure and with the sole purpose of enabling the Slovakian owner to rid itself of its debts.

The forgotten and the despised: The powerlessness of unions as the effect of a widespread and successful anti-collective strategy

Strikes are indicators of an imbalance of market and political power at the expense of trade unions and employees; but also refer to the peripheral position that Serbia occupies.

The strikes in Goša and Fiat-Chrysler, or the appeal ‘not to scare away foreign investors with hue and cry about Yura’ are just a few examples. Any mention of dignified work sounds ironic and irritating to those faced with columns of young people leaving the country, wages and pensions being nailed at the bottom of an otherwise poor region, despite reiterated political promises, and the types of ‘humane’ labour relationships being offered by the likes of Yura and Geox. Otherwise, the right to de-

8 A worker hanged himself inside the Goša FOM factory in March 2017 as a result of the hardships caused by fifteen months worth of earnings.

cent work is a basic human right – meaning work that is performed under contract and is legal, safe and adequately paid (Stojiljković 2019b).

In consequence, two representative trade unions – the Confederation of Autonomous Trade Unions of Serbia and the Trade Union Confederation ‘Nezavisnost’ – decided in 2019 to withdraw from the work of the Social and Economic Council of Serbia until the problems of protecting employees and the union members exposed to pressures and threats have been resolved. The months-long strike of employees of the Republic Geodetic Authority (RGZ), and the repression that followed, was the main inspiration behind this decision.

RGZ is an illustrative example, because it is an institution under the direct authority of the Ministry of Construction – that is, the executive power – and in which there has been heavy investment made in its reorganisation, modernisation and digitisation. It is indicative that such an organisation has travelled the path from pacifying employees by reducing their rights, through marginalisation, to open pressure and diktat after employees and unions had decided, following unsuccessful attempts to reach agreement and following mediation by the Agency for Peaceful Dispute Resolution, to go on strike.<sup>9</sup>

That the slow delivery of RGZ’s services was affecting the interests of businesses and citizens was used throughout the strike to demonise the unions participating in it; while a second, resumed strike – the clear result of management’s failure to observe the agreement, to which the Serbian government was a co-signatory – also borders on the incredible.

Furthermore, managerial diktat also encompassed the threats of dismissal, relocation and pressure to withdraw from the membership of ‘unfit’ unions with the intention of making them lose their representativeness, while supporting and directly forming their own, more ‘suitable’ unions. At the same time, we should observe that one’s own trade union membership is constituted from among the ranks of those who are about to be transferred from work under fixed-term contracts into open-ended employment.

- 9 The ‘revolutionary and unacceptable’ demands of the strike referred to: (1) adjusting the salaries of employees to the decisions of the government on the increase to base pay in 2018 and 2019, as well as the increase based on seniority, which had been withheld since 2015; (2) the government was requested by the unions to reconsider and endorse the proposals of the unions, which were agreed with the RGZ management and the Ministry of Construction, Transport and Infrastructure; (3) the unions requested the government and the Ministry of Finance provide funds in the budget for the smooth operation of RGZ and the remuneration of employees under the signed Agreement, as well as for the salaries of newly-employed workers upon completion of the procedure for filling vacancies.

The conflict escalated virtually from the first day of the strike when pressure began from the management in terms of requests to sign lists and taking statements from those who went on strike. This attitude and behaviour of the employer led to the decision to institute criminal charges against the director for gross violation of trade union freedoms, discrimination against employees and violation of the right to strike. At the same time, the unions also approached the Labour Inspectorate and asked for a review of the decisions made by RGZ during the strike and against the participants in the strike.

Once, subsequent to the involvement and solidarity demonstrated by international union forums and trade union centres, the unions in Serbia had regained the representativeness they had ‘lost’ during the many days of tallying and pressure, their representatives were faced with hours-long interrogations and visits from the police demanding to see members’ membership application forms, the statutes of the respective centre or sectoral union and decisions on the election of representatives.

The government’s awkward and uncoordinated reaction in the case of RGZ justifiably raises the question of whether there is also a coming together between interests and (hidden) business relationships and arrangements. How else can it be explained that the employer is able to ignore two agreements signed by government representatives? It is party appointments that underlie this unconcealed political arrogance. Voting as ordered, as well as being taken to attend party-state manifestations, dangerously shifts labour relations into the field of involuntary political participation (Stojiljković 2019b).

The outcome is the logical endpoint of self-preservation and pervasive apathy and indifference. As the Bulgarian political scientist Ivan Krastev wrote – in a book with the indicative title *In Mistrust We Trust* – a state of internal and/or external emigration is emerging which encompasses the whole nation (Krastev 2013). The resulting powerlessness and mistrust of citizens towards the civil sector, the media or trade unions for example, is, of course, the result, on top of their own deficits, of the conscious intention to destroy and deprive of meaning, or at least to put under firm control, anything that is not already under the control of the populist leader and his or her clientelist network.

Returning to the workplace, it is no error that Serbia has been rated 4 on the ITUC’s Global Trade Union Rights Index for many years, an indicator of the systematic violation of trade union rights. This is not an arbitrary score, but a complex, composite index consisting of five elements with 97 indicators. These refer to the collective rights of employees to civil liberties, the right to establish or join a union; and the right to engage in trade union activities, to collective bargaining and to take strike action.

Our analysis of workers’ strikes in Serbia points to three possible lessons.

Firstly, the government is always on the side of employers (foreign capital) or, in the case of requests for the dismissal and accountability of those it has previously appointed to managerial positions in the (quasi-)public sector, for as long as it remains politically viable. Such appointees, with an extensive system of protection, connections and deals, are often more powerful than (parts of) the government.

Secondly, even when choosing to negotiate, the authorities do that in an untimely and ineffective manner such that protests last until the time that strikers, under the pressure of threats and/or negative reactions from members of the public affected by the non-provision of services, give in and accept minor concessions that do not change anything substantially.

Thirdly, even when concessions are made, this is interpreted as a sign of the ‘goodwill’ of the responsible political leadership and performed frequently through contacts beyond any legitimate bargaining procedure. One of the examples of populist demagoguery at work is the agreement between ‘self-organised’ postal workers

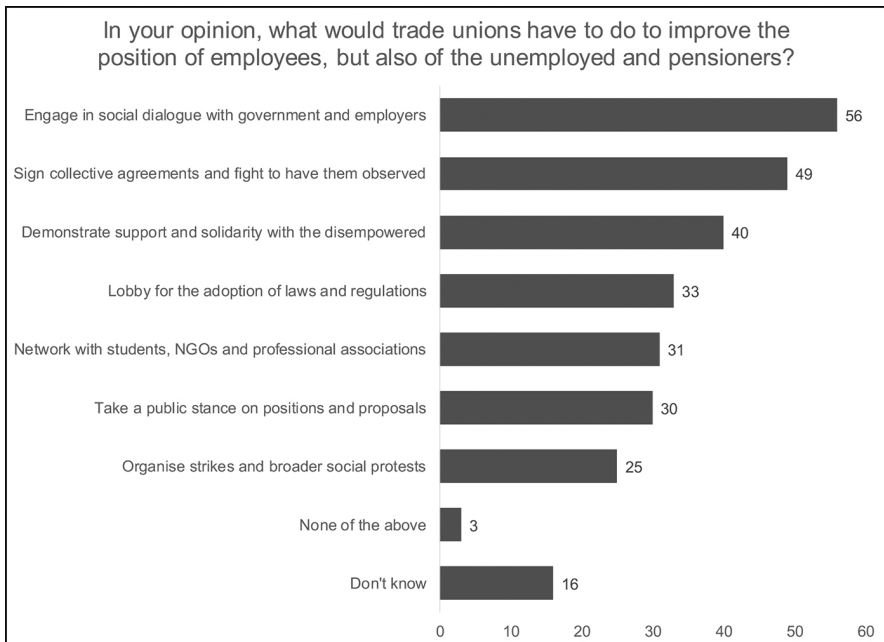


with the ‘line’ minister of the police to change the collective bargaining agreement and to apply the principle of flat-rated wage increases, achieved by ignoring trade unions and bargaining procedure.

Consequently, the atmosphere in which only one in five citizens has confidence in trade unions and a clear pro-union identity, as shown by a recent survey, is perhaps best expressed by the finding from the same survey highlighting that campaigns of solidarity with the downgraded and disempowered are supported by less than one-half of citizens – just forty per cent (Stojilković 2019a: 368-370).

Against this background, and bearing in mind previous negative experiences, some of which are outlined above, it is not surprising that protests and strikes are, for the vast majority of employees, justified and legitimate – but also a tool of practical coercion that is implemented only when a solution acceptable to those employees could not be reached through dialogue.

**Chart 1 – Trade union activity to improve the position of employees, the unemployed and pensioners**



Source: Stojilković (2019a).

### Instead of an epilogue

In a state in which there is a drastic imbalance of power and a lack of effective solidarity and trade union unity, conventional work stoppages have been replaced by

rallies outside government institutions and local parliaments, road and railway blockades and hunger strikes.

At the same time, the three main motives for participating in broader parallel civil protests are: the violation of democratic freedoms and procedures; political clientelism and corruption; and growing social inequalities and the increasingly precarious position of employees experienced through the loss of job security and certainty.

There is one logical question, therefore: Is it possible to have an alliance between the educated, middle class, with declining influence but which forms the backbone of protest actions, and workers and trade unions who have been suppressed for decades? My starting point is that such an alliance is possible under two, mutually linked, assumptions. The first of these is that the middle class shows greater solidarity and is more socially inclusive. The second is that workers and unions fully realise that better labour and social legislation, higher wages and less inequality are not possible without the rule of law, free elections, an autonomous media and open and independent institutions. The key problem is likely to remain one of how to awaken, and then free from the regime's iron embrace, the poorest who are held in obedience by occasional almsgiving.

I do not know whether such an alliance of the working class and the middle class is currently operationally possible, but I know that it is necessary, even indispensable for every democratic option and outcome. *United we stand! Divided we beg!* – a slogan coined in the US 150 years ago to promote worker association and solidarity, is more relevant in Serbia today than ever. The issue of whether the changes that are both democratic and socially sustainable and fair are still possible in Serbia is one that is becoming evermore pressing.

Analysis of 'pre-revolutionary situations' shows that one must first delegitimise the existing system and create an image of a possible, different world, of a Serbia as a framework for a desirable future. Therefore, (1) belief in the existence of a realistic alternative to the existing situation, a 'Serbia in which I would like to live', (2) competent actors who can be trusted and, (3) our own activism and actual solidarity at work are the fundamental prerequisites for change.

Such changes are possible, provided there is a developed change strategy and unity among the actors, but they are surely unlikely, at least for the time being. However, nothing can be more helpful to civil society, trade unions in particular, than the mobilising image of unity in bargaining and/or protest. This is also the only way that the 'partners' can begin to respect them.

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