OPPOSING AUSTERITY
ORGANISING AND ACTION STRATEGIES

Dexter Whitfield
December 2013

Report prepared for the Don Dunstan Foundation and Public Service Association of SA
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*The Australian Workplace Innovation and Social Research Centre (WISeR) focuses on work and socio-economic change. WISeR is particularly interested in how organisational structure and practices, technology and economic systems, policy and institutions, environment and culture interact to influence the performance of workplaces and the wellbeing of individuals, households and communities.

WISeR also specialises in socio-economic impact assessment including the distributional impacts and human dimensions of change on different population groups and localities. Our research plays a key role in informing policy and strategy development at a national, local and international level.*
CONTENTS

KEY FINDINGS AT A GLANCE .................................................................................. 3

1 CHALLENGES IN OPPOSING AUSTERITY POLICIES ..................................... 1
  1.1 PRIVATE SECTOR FAILURE — PUBLIC BEAR THE COST .................................. 1
  1.2 PRE-CRISIS FLAWS EXPOSED ........................................................................ 2
  1.3 CULTURAL AND POLITICAL DIFFERENCES .................................................. 2
  1.4 POST-AUSTERITY CONDITIONS ..................................................................... 2

2 KEY RESPONSES IN EUROPE AND NORTH AMERICA 2008-2013 .................... 4

3 SIGNIFICANT STRUGGLES AGAINST AUSTERITY .............................................. 6
  3.1 ACTION AGAINST PUBLIC SPENDING CUTS AND PRIVATISATION .................... 6
  3.2 OPPOSITION TO PRIVATISATION .................................................................. 13
  3.3 NEW ORGANISING STRATEGIES .................................................................. 16

4 KEY ISSUES AND FUTURE STRATEGIES ............................................................ 20
  4.1 OPPOSING AUSTERITY AND NEOLIBERAL TRANSFORMATION IN THE PUBLIC SECTOR .............................................................. 20

REFERENCES ....................................................................................................... 1

LIST OF TABLES

TABLE 1: MAIN AUSTERITY MEASURES AND ACTION STRATEGIES .................................................. 4
TABLE 2: KEY RESPONSES TO AUSTERITY IN EUROPE AND NORTH AMERICA 2008-2013 .......................... 5
**Key Findings at a Glance**

Action strategies deployed in the struggle against austerity and neoliberal policies provide lessons for how strategies might be developed in Australia. This, the second of three austerity briefings, raises wider and longer-term issues about the way in which trade unions, community and civil society organisations and social movements mobilise and organise, widen support and build stronger alliances.

- Although the financial crisis was caused by banks and market failure, action was targeted against government and troika-imposed public spending and wage/pension cuts, job losses and privatisation.
- Despite the worst economic crisis for 60 years, Labour and Democratic parties failed to deliver significant alternative policies or legislative change.
- The attack on public sector unions, workers’ rights and legislation to reduce the ability to take industrial, civil and community action, ran parallel with public sector cuts and privatisation.
- Traditional industrial action, such as one-day strikes and large national demonstrations had an important role in strengthening solidarity and gaining support, but did not significantly change austerity policies.
- Cuts campaigns had an important role in challenging the composition and distributional impact of austerity policies, but rarely reduced the scope or scale of public spending cuts.
- A series of large public demonstrations at the Iceland Parliament, culminated in the resignation of the government and two referenda voting against taxpayers funding repayment of bank debt.
- The Quebec student strike stopped tuition fee increases, UK hospital campaigns stopped closures, many foreclosures and evictions were halted in Spain and US - all had active engagement of trade unions, community and social movements and drew wide public support.
- Democratic assemblies genuinely involved participants in discussion and decision-making in Spain’s 15M and the Occupy Wall Street movements.
- UK trade unions have not developed adequate strategies to challenge the acceleration of neoliberal transformation of public services through outsourcing, private finance and privatisation.
- New national and local organisations and alliances created to resist foreclosures and evictions used imaginative direct action tactics, particularly in Spain and US.
- Trade unions are the strongest working class membership and resourced organisations. There are different types of membership organisations, such as student unions, worker centres and community organisations, plus involvement or affiliation to social movements. They must forge and sustain stronger alliances and coalitions.
- The process of learning lessons and developing future strategies needs to take account of the shifts in power, which the financial crisis and austerity measures have brought about.
- Divisions between pro- and anti-outsourcing strategies in the UK voluntary sector, mirroring a similar division in US non-profits, stunt the sector’s opposition to austerity policies.
- Transnational Free Trade Agreements are being negotiated that will continue austerity measures, embed neoliberal policies and increase corporate power.
- Austerity measures will continue for many more years; cuts to services, jobs and wages will not automatically be ‘restored’, and government’s will seek to consolidate economic ‘reforms’ alongside the ‘transformation’ of public services and the welfare state.
1 CHALLENGES IN OPPOSING AUSTERITY POLICIES

This is the second of three briefings examining the impact of austerity policies in Europe and North America (Unmasking Austerity, Briefing No. 1 and Alternatives to Austerity, Briefing No. 3).

This briefing identifies the key lessons from organising and action against austerity policies and challenges to the neoliberal transformation of public services and welfare states. Austerity measures continue, so new lessons will continue to be learnt.

1.1 PRIVATE SECTOR FAILURE – PUBLIC BEAR THE COST

The financial crisis was caused by the failure of markets and deregulation. It was a private sector failure, not a sovereign debt crisis caused by excessive government spending. Neoliberal ideology and values (such as free trade, competition, debt-driven consumerism, tax cuts for the wealthy, deregulation and privatisation) underpinned economic policies and attitudes (Unmasking Austerity Briefing No. 1).

National and local demonstrations and strikes were mainly targeted at governments that chose deep public spending cuts, job losses and pay cuts and other economic austerity policies. Conservative governments, business, and right wing interests blame the political party previously in power for the crisis and divert attention from financial market failure.

Austerity in the bailout countries, Spain, Greece, Portugal, Ireland and Cyprus, imposed by the troika - the International Monetary Fund, the European Central Bank and the European Commission - required governments to adhere to a strict policy implementation timetable. Opposition to these policies had to confront global institutions, business interests and conservative parties, not just their respective government.

Poor, working and middle class families have borne the brunt of austerity policies in Europe and North America. The wealthy have not contributed a larger share, corporate welfare has been expanded and no one has faced criminal charges for causing the financial crisis. Austerity measures include public sector wage and pension cuts and large job losses, yet public sector workers are often vilified for being ‘better off’ than private sector workers.

Governments in bailout countries succumbed to the interests of capital as they adhered to the terms set by the troika. The phased release of funds has been dependent on regular inspection visits by troika officials to determine progress and adherence to the bailout terms, a fundamental erosion of democratic governance.

National elections in many European countries after 2008 often resulted in conservative parties gaining power with mandates to implement austerity policies. They accelerated implementation of neoliberal policies, increased regulation of trade unions and curtailed civil liberties. In addition, extreme right wing organisations exploited the financial crisis and austerity to increased electoral support, for example, Golden Dawn in Greece.

Austerity measures make people angry but they also create fear and insecurity, which makes industrial and community action more difficult to organise. Job losses and a fear of unemployment and wage cuts, on top of high levels of credit card, mortgage and student debt, together with negative housing equity were barriers to organising. In addition, many households have sought to save to reduce debt, minimise the loss of household income and reduce expenditure. Many communities lose young, skilled people who emigrate from Ireland to Australia and North America, and from Spain and Portugal to South America and to other European countries.

The need for broad alliances to oppose austerity has been hampered by claims of ‘privileged’ public sector workers promulgated by business, media and right-wing
populism, for example in Canada, Ireland and Britain. These claims divide the better organised from the less well organised and drag public sector terms and conditions down to those in the private sector instead of lifting private to public sector standards.

1.2 PRE-CRISIS FLAWS EXPOSED

The financial crisis exposed flaws and fault lines that existed in each country prior to 2008. These flaws had been obscured by economic growth, enthusiasm for neoliberal economic policies, deregulation and unsustainable consumer borrowing.

Action strategies had to be drawn up under different conditions, for example, the scale of the housing and property market collapse was more severe in the US, Spain and Ireland. The crisis exposed new vulnerabilities and imposed new demands on financially weak US cities as long-term economic and demographic change accelerated.

This period also highlighted a number of weaknesses in trade union organisation and strategies, such as the continuing loss of private sector trade union membership, the relationship with social democratic parties that embraced neoliberalism, and the failure to develop meaningful and sustainable alliances with community and civil society organisations. It meant traditional defensive strategies that focused on trying to influence public policies and/or delay/obstruct implementation had limited effect in austerity conditions.

1.3 CULTURAL AND POLITICAL DIFFERENCES

Cultural as well as structural, institutional and electoral factors influence the adoption of action strategies in each country, which should be taken into account in the analysis, comparison, and transfer of national responses.

For example, despite Greece and Spain having similar background conditions and severity of austerity, there are differences in their resistance strategies. Andronikidou and Kovras (2012) identify two reasons:

“First, it shows how the Greek transition to democracy shaped a political ‘culture of sympathy’ to acts of resistance against the state. Second, it notes the mechanisms through which daily practices of resistance have become institutionalised and permeated Greek culture. It concludes that the cultivation of a political culture of sympathy has become a ‘winning formula’ adopted by vocal minorities who deploy unlawful protests. Equally, early socialisation into unlawful practices creates the conditions for the public to turn a blind eye to the use of violence. In Spain, by contrast, there is no such tolerance of violence.”

1.4 POST-AUSTERITY CONDITIONS

Austerity measures will continue for many more years. Long after countries formally exit bailout programmes, they will remain under European Central Bank supervision. Much will depend on economic performance and ‘growth’, levels of debt reduction, taxation policies and shifts in political control. UK Prime Minister David Cameron recently announced that the government would seek a ‘leaner, more efficient state’ on a permanent basis and has no intention of resuming public spending once debt levels have been reduced (The Guardian, 2013).

‘Reforms’ will not be reversed in economies or in the public sector. There are no plans to restore wages, pensions and public spending cuts other than proposals to restore ‘growth’, reduce unemployment and tackle loan sharks. Nor is there an indication that financialising, personalising, marketising and privatising public services and state assets will be reversed. In fact, these and other structural changes including radical reductions in public expenditure on services, further cuts in corporate taxation and ‘reform’ of labour markets are being further embedded. Private finance of services and public infrastructure
is increasing as Public Private Partnership legislation and programmes are established in more countries.

**Political change** – Labour and social democratic parties were embroiled in implementing austerity in the early stages of the crisis, for example, the UK and Spain, or in a coalition in Ireland, before conservative parties were elected.

Austerity enabled opposition parties to be highly critical of governments. It concealed the degree of political consensus between the main political parties regarding the overall management of the economy, public services and the welfare state. The 15M and Occupy movements gained traction in part because of the high level of disillusionment with traditional political parties, the lack of principles and apathy to greed and corruption.

**Power conceded** is never handed back. Despite some successes, trade union, community and social movements could not lever sufficient power to force the state and capital to share the burden of austerity, despite widespread resistance in many countries. The combination of austerity and neoliberal policies will make it harder to organise and mobilise workers and communities. Furthermore, corporate interests will continue to try to reduce the power of trade unions and to restrict civil and community action and involvement.

**Alternative demands** at demonstrations, marches and occupations to date included: ‘keep out the troika’; ‘reverse wage and pension cuts’; ‘reinstate public spending cuts’; ‘tax the rich, not the poor’; ‘cancel the debt’; ‘resignation of government’; ‘progressive tax system’; ‘nationalise the banks’; ‘stop privatisation’; and the demand for ‘real democracy’.

Initial demands were mainly defensive – ‘stop the cuts’ – but changed from 2011 to reflect greater community and social movement involvement and the realisation that defensive demands alone were having very limited effect. The troika and government imposition of austerity measures further exposes the limitations of current forms of representation, accountability and transparency. The need to address financial reform, progressive taxation, public investment, democratic governance, transparency, the public sector and welfare state was widely recognised, yet specific demands and policies rarely got beyond broad brush statements in campaigns.

This has contributed to a limited trade union challenge to neoliberal transformation in the public sector, in particular to competition and markets. It is most evident in the UK where new pathways to privatisation have been created by financialising, personalising, marketising public services to consolidate neoliberal transformation (Whitfield, 2012).

“...the existence of sweeping popular movements, although it may well be a historical phenomenon, does not by itself furnish a political vision. The reason for this is that what cements a movement on the basis of individual affects is always of a negative character: the sort of thing that proceeds from abstract negations, like ‘down with capitalism’, or ‘stop the layoffs’, or ‘no to austerity’, or ‘down with the European troika’, which have strictly no other effect than provisionally soldering the movement with the negative frailty of its affects; as for more specific negations, since their target is precise and they bring together different strata of the population” (Badiou, p. 45).
2 KEY RESPONSES IN EUROPE AND NORTH AMERICA 2008-2013

The main austerity measures in the bailout conditions and austerity policies in other countries are summarised in Table 1, together with the main action strategies used to oppose those policies.

**Table 1: Main austerity measures and action strategies**

<table>
<thead>
<tr>
<th>Austerity Measures</th>
<th>Action Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dispossession</strong></td>
<td>Strikes and industrial action</td>
</tr>
<tr>
<td>Public spending cuts</td>
<td>Demonstrations, marches and rallies</td>
</tr>
<tr>
<td>Outsourcing and privatisation</td>
<td>Occupations of public spaces</td>
</tr>
<tr>
<td>Pay cuts and pension changes</td>
<td>Sit-ins at banks and company head offices</td>
</tr>
<tr>
<td>Tax increases</td>
<td>Mass mobilisations at parliaments</td>
</tr>
<tr>
<td>Closure of services and facilities</td>
<td>Picketing and lobbying institutions and meetings</td>
</tr>
<tr>
<td>Increased tuition fees and charges</td>
<td>Eviction and road blockades</td>
</tr>
<tr>
<td>Mortgage foreclosures and evictions</td>
<td>Direct action against corporate tax avoidance</td>
</tr>
<tr>
<td>Welfare state benefit cuts</td>
<td>Public rallies, meetings and assemblies</td>
</tr>
<tr>
<td>Bankruptcy of cities with cuts to services, jobs and</td>
<td>Exposing impact of outsourcing and privatisation</td>
</tr>
<tr>
<td>pensions</td>
<td>Living wage campaigns targeting specific employers</td>
</tr>
<tr>
<td><strong>Neoliberal policies and corporate welfare</strong></td>
<td></td>
</tr>
<tr>
<td>Private finance Public Private Partnerships</td>
<td></td>
</tr>
<tr>
<td>Marketisation of public services</td>
<td></td>
</tr>
<tr>
<td>Bank and corporate bailouts</td>
<td></td>
</tr>
<tr>
<td>More stringent regulation of trade unions</td>
<td></td>
</tr>
<tr>
<td>Corporate welfare and tax reductions</td>
<td></td>
</tr>
</tbody>
</table>

*Note: The summary excludes demonstrations at G8, G20 and IMF/World Bank meetings and May Day marches in the 2008-2013 period. They focused on a broader agenda and not solely in opposition to austerity policies.*

The key responses to austerity in Europe and North America during the period 2008-2013 are summarised in Table 2, sourced from international and national organisations, press releases, journal articles, web sites and media.
### Table 2: Key Responses to Austerity in Europe and North America 2008-2013

<table>
<thead>
<tr>
<th>Date</th>
<th>Summary of Key Events</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2008</strong></td>
<td></td>
</tr>
<tr>
<td>October 22</td>
<td>15,000 pensioners &amp; 10,000 students protest in Dublin against withdrawal of medical cards and increased student fees.</td>
</tr>
<tr>
<td><strong>2009</strong></td>
<td></td>
</tr>
<tr>
<td>January 3-26</td>
<td>Demonstrations at Iceland’s parliament in Reykjavik to protest at bank bailout terms.</td>
</tr>
<tr>
<td>February 21</td>
<td>Irish Congress of Trade Unions 100,000 march in Dublin against pensions levy and cuts.</td>
</tr>
<tr>
<td>November 24</td>
<td>250,000 public sector workers national strike in Ireland against pay cuts.</td>
</tr>
<tr>
<td><strong>2010</strong></td>
<td></td>
</tr>
<tr>
<td>March 6</td>
<td>First Icelandic referendum on repayment of bank debts defeated 93% voting against.</td>
</tr>
<tr>
<td>May</td>
<td>National strike and large demonstrations in Athens and Thessaloniki against bailout terms, spending cuts and tax increases.</td>
</tr>
<tr>
<td>October 26</td>
<td>UK Uncut direct action launched in London and spread to other cities.</td>
</tr>
<tr>
<td>November 3</td>
<td>40,000 students march in Dublin against increased tuition fees, cuts and emigration</td>
</tr>
<tr>
<td><strong>2011</strong></td>
<td></td>
</tr>
<tr>
<td>February 6 -</td>
<td></td>
</tr>
<tr>
<td>June 16</td>
<td>Series of strikes and mass opposition to State of Wisconsin anti-union legislation, big increases in public sector healthcare and pension contributions and budget cuts.</td>
</tr>
<tr>
<td>February 23</td>
<td>100,000 Athens demonstration after Greek government told to accelerate austerity</td>
</tr>
<tr>
<td>March 26</td>
<td>250,000 march in London against austerity policies organised by Trade Union Congress.</td>
</tr>
<tr>
<td>April 9</td>
<td>Second Icelandic referendum on repayment of bank debt defeated 60% voted against.</td>
</tr>
<tr>
<td>May 15</td>
<td>Large demonstrations in Madrid and other Spanish cities and emergence of 15M community organizing movement. Occupation of Puerta del Sol spreads to other cities.</td>
</tr>
<tr>
<td>May 25 to</td>
<td>Anti-austerity protests and sit-ins in several cities in Greece organized by Indignant Citizens Movement.</td>
</tr>
<tr>
<td>August 7</td>
<td></td>
</tr>
<tr>
<td>June 28-29</td>
<td>General strike in Greece against austerity.</td>
</tr>
<tr>
<td>June 30</td>
<td>UK civil servants, teachers &amp; municipal workers one-day strike against pension changes.</td>
</tr>
<tr>
<td>October 13-15</td>
<td>100,000 surrounded parliament in Lisbon against Portugal’s 2012 budget and wage cuts</td>
</tr>
<tr>
<td>October 15</td>
<td>Global day of action in 900 cities in support of Occupy movement, 200,000 in Rome.</td>
</tr>
<tr>
<td>November 16</td>
<td>20,000 students march in Dublin to oppose reintroduction of student fees.</td>
</tr>
<tr>
<td>November 12</td>
<td>National demonstration with 180,000 in Lisbon opposing Portugal’s austerity measures.</td>
</tr>
<tr>
<td>November 27</td>
<td>100,000 march in Dublin against austerity measures.</td>
</tr>
<tr>
<td>November 30</td>
<td>2m public sector workers one-day UK strike over pension changes. Anti-austerity demonstrations in 25 countries called by European Federation of Public Service Unions.</td>
</tr>
<tr>
<td><strong>2012</strong></td>
<td></td>
</tr>
<tr>
<td>February 10</td>
<td>Over 100,000 at Lisbon rally against IMF and austerity policies.</td>
</tr>
<tr>
<td>February 12</td>
<td>Greek parliament approves further cuts as 500,000 surround parliament</td>
</tr>
<tr>
<td>February 13</td>
<td>Quebec student strike against tuition fee increases commences, 300,000 on strike (75% of students) by March 22 when over 200,000 marched in Montreal. Increases abandoned in May and Parti Liberal du Quebec lost election.</td>
</tr>
<tr>
<td>May 19</td>
<td>Blockupy Frankfurt 4-day action against European Central Bank ends with 25,000 march.</td>
</tr>
<tr>
<td>May 22</td>
<td>400,000 march in Montreal in support of student strike and against austerity.</td>
</tr>
</tbody>
</table>
### September 15
- Large ‘Screw the Troika’ demonstrations across Portugal.

### October 18
- General strike in Greece with rallies in many cities against draft budget

### November 7
- 80,000 demonstration & 48 hour general strike in Greece against €13.5bn austerity cuts.

### November 14
- European Trade Union Confederation day of union struggle in 23 countries; general strikes in Spain and Portugal, strikes in Italy, France, Belgium and Greece; large marches – 150,000 in Rome and London, 100,000 in Dublin and in 130 cities in France.

### 2013

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 2</td>
<td>1.5m participate in ‘Screw the Troika’ protest, Portugal, 200,000 at Finance Ministry, Lisbon.</td>
</tr>
<tr>
<td>March 14</td>
<td>Europe-wide rallies organized by European Federation of Public Service Unions.</td>
</tr>
<tr>
<td>May 31 and June 1</td>
<td>‘People Against the Troika’ day of action called by coalitions in Spain and Portugal with demonstrations in 99 cities in 12 countries. The previous day 3,000 Blockupy activists close the European Central Bank in Frankfurt.</td>
</tr>
<tr>
<td>June 11</td>
<td>Public TV/radio network, ERT, closed by government then occupied for 5 months.</td>
</tr>
<tr>
<td>June 15</td>
<td>8,000 doctors and medical staff march in Paris against budget cuts in health services.</td>
</tr>
<tr>
<td>June 22</td>
<td>4,000 attend Peoples Assembly in London.</td>
</tr>
<tr>
<td>June 27</td>
<td>General strike in Portugal against austerity policies.</td>
</tr>
<tr>
<td>September 29</td>
<td>50,000 at Save the National Health Service march in Manchester.</td>
</tr>
<tr>
<td>October 19</td>
<td>Large marches in Lisbon, Porto and other cities opposed to 2014 budget cuts.</td>
</tr>
<tr>
<td>October 23</td>
<td>High response to national public education strike in Spain called by students, parents and unions against budget cuts, larger classes, and tuition fee increases.</td>
</tr>
<tr>
<td>November 6</td>
<td>General strike in Greece against visit of troika.</td>
</tr>
</tbody>
</table>

### 3 SIGNIFICANT STRUGGLES AGAINST AUSTERITY

This section examines several important struggles against austerity in Europe and North America between 2008 and 2013. They are by necessity selective, but cover a range of action strategies to confront public spending cuts, pay and collective bargaining, foreclosures and evictions, hospital closures, tuition fee increases, privatisation and new organising strategies.

#### 3.1 ACTION AGAINST PUBLIC SPENDING CUTS AND PRIVATISATION

**Wisconsin Uprising**

In February 2011 the Republican Governor of Wisconsin introduced a combined Budget Repair Bill to rescind public sector collective bargaining rights (excluding police and firefighters) together with annual union re-certification. The Bill planned to increase public sector workers health and pension costs by up to 13% and cut US$1.25bn from public education, health and a raft of social programmes for poor families and the expansion of private charter schools.

Between 15 February and 12 March 2011 a series of demonstrations, strikes and occupations in Madison, the state capital, each involved between 10,000 – 100,000 public and private sector trade unionists, students and supporters (Morris, 2012, Collins, 2012 and Borsos, 2012). The Capitol building was occupied for many days. The Governor was soon forced to separate the bill proposals - the State Assembly approved the budget on 25 February and the collective bargaining legislation on 10 March, despite the absence of 14 Democratic senators who had left the state to try to prevent the vote. Two days later they returned to Madison to a large rally.

*WiseR and ESSU (2013)*
The emphasis shifted to petition for recall elections. The April election to choose a State Supreme Court justice led to the former Republican leader in the state legislature winning the election after 14,000 votes were ‘found’. A 5-week recount could not prove they were fraudulent, so the court retained a conservative majority.

Six Republican and three Democratic senators faced recall elections in August 2011 and although two Republicans lost their seats, the party retained controlled of the Senate. The following year over a million signatures were collected to force a recall election of Governor Walker. He won a 53.1% majority in June 2012 over the Democrat Mayor of Milwaukee. Walker’s campaign outspent the Democrats by 7:1 mainly due to out-of-state conservative supporters such as the Koch Brothers (New York Times, 2012, Nichols, 2012a and DiNovella, 2012). Exit polls revealed 36% of union households voted for Walker! (Nichols, 2012b).

Many important lessons were learnt from the creative, militant and well-organised action. It drew support from across North America and overseas, but also exposed strategic failures:

- Some trade union leaders concentrated their demands on public sector collective bargaining rights and did not address the budget proposals and wider community interests – ‘it’s not about the money’ (Henwood, 2012 and Rothschild, 2012).
- Large numbers of teachers were involved – 24 schools districts were closed in the first week of action and whilst there was support for a general strike, one was never called and would have been illegal under labour laws.
- No attempts were made for any meaningful, even symbolic, democratic decision-making during the demonstrations and occupations (Rothschild, 2012).
- The large 12 March rally launched the recall strategy and marked the end of demonstrations which “…diffused the protests geographically and emotionally… destroyed the lesson that you can exercise power outside of the electoral arena… fed the assumption that the Democratic Party was the be all and end all… it took mass power off the streets when it was needed” (Rothschild, 2012) such as the Supreme Court decision and the June 2011 budget process.
- The recall campaign had limited effect. Democratic candidates made no mention of collective bargaining in their election addresses and they failed to gain control of the Senate (Cole and Gasper, 2012 and Morris, 2012). The Democratic candidate, the Mayor of Milwaukee, had lost to Walker in the 2010 Governorship election. “Democrats struggled with the message, trying to transition the radicalism of the Capitol protest of 2011… months of soft messaging about important issues – from education to voting rights - took some edge off the movement messaging that had defined protests and petitioning for the recall” (Nichols, 2012). The secretary-treasurer of the National Union of Healthcare Workers concluded:

“Nichols’s analysis begs the question: will the institutional labor movement ever depart from the formulaic, stale, poll and focus-group tested, watered-down messaging regarding “middle-class values” and actually defend in a clear and concise way “working class” interests? Wisconsin workers in February and March 2011 spoke the language of class. Will their so-called leaders ever have the courage to do the same?” (Borsis, 2012).

- The 2010 US Supreme Court ‘Citizens United’ decision barred the federal government from restricting political expenditure by corporations, trade unions and political action committees (Center for Public Integrity, 2012). This has enabled corporate interests to target opposition to free market policies. The Republican strategy was to blame trade unions for low quality services being delivered in the poorest neighbourhoods and claimed public sector salary and benefits were ‘too generous’. This requires the labour movement to organise
Opposing Austerity

The elimination of automatic payroll deduction of membership dues and annual votes requiring majority membership vote, to recertify a union, had an immediate impact. Some unions decided not to seek certification, made alternative arrangements to collect dues and have reduced union staffing levels as union membership declined. Public sector unions lost 50,000 members with the Wisconsin state workers union density declining from 50% to 37% and the state’s overall union density from 15.2% to 11.2% by the end of 2012 (McCartin, 2013).

Quebec student strike succeeds

A student strike began on 13 February 2012 and by mid-March 300,000 of the 400,000 student body were on strike against a 75% increase in tuition fees by 2017. The government claimed the increase was necessary because of budget shortfall, but was part of a policy to increase existing fees for public services and introduce new ones. On 22 March over 200,000 students, trade unionists and people from a wide range of community organisations marched in Montreal, the largest in Quebec’s history.

The strike and demonstrations continued and student organisations re-opened negotiations with the government, which made some concessions. However, students at every post-secondary institution rejected the agreement. Two weeks later the Minister of Education resigned. The government passed emergency Law 78 on 18 May, which suspended the current academic year, enabled the police to ban assemblies at universities and limited university worker’s right to strike. Four days later 400,000 people marched through Montreal, after which the government withdrew from negotiations. Students voted to defy the law and the march was a public challenge to the draconian measures. Police made 3,387 arrests between February and September 2012 (Solty, 2012). The ruling Parti Liberal du Quebec was defeated in an early election in September that year. The new government froze tuition fees and rescinded the emergency legislation.

The student strike became Canada’s ‘Maple Spring’ and provided some crucial lessons for resistance to austerity:

- The key student body, the Coalition large de l’Association pour une solidarite syndicale etudiante (CLASSE) rejected lobbying and organised through local plenary assemblies and a national delegate assembly. It was committed to grassroots mobilisation (Solty, 2012), grounded in democracy, militancy and audacity (Lafrance and Sears, 2013). CLASSE is one of four Quebec student associations with 65 local associations and 100,000 members (Camfield, 2012).
- Students “…formed strike committees, held general assemblies, organised alternative education events and built alliances with organisations and social movements outside of post-secondary institutions” (Solty, 2012). It also raised questions about forms of democratic governance and the form of post-secondary education (Lafrance and Sears, 2013).
- “…students took their struggle off campus and carried out blockades of government offices, courthouses, bank buildings, bridges and other targets. Students also marched in support of locked-out Rio Tinto aluminum smelter workers in the town of Alma, joined with other groups protesting austerity measures and protested the government’s plan to “develop” Northern Quebec, which is opposed by indigenous people and environmentalists” (Camfield, 2012).
- The ‘Red-Hand Coalition’ of 125 organisations ranging from education and healthcare trade unions, poverty initiatives, environmental and community organisations had a vital role in coordinating support for the student strike. This
large coalition had formed three years earlier to oppose Quebec’s budget cuts and austerity measures.

“...the Quebec student strike would not have proceeded so successfully without the Red-Hand-Coalition’s networking of social struggles... a spontaneous protest only becomes fully effective if a strong organization and a broad alliance of social forces have prepared the ground for its emergence” (Solty, 2012).

- Students succeeded by ensuring tuition fees were not just a ‘student issue’ or an isolated austerity measure, but a wider struggle against imposing austerity measures on working people. The strike was widely supported by teachers and support staff (Democracy Now, 2012).
- CLASSE organised to win a strike mandate in the preceding two years through assemblies, days of action, demonstrations, petitions and leaflets. It planned for the strike and drew on lessons from previous student action against tuition increases.

**Other action against austerity in education**

In other countries students and teachers have taken action against tuition fee increases, job losses and cuts to campus services as state and local government imposed austerity measures.

The University of California imposed a 32% tuition fee increase in 2009, which led to a series of occupations, sit-ins, rallies and demonstrations. Disciplinary action against students led to fewer and smaller protests in 2010. But by April 2011 there were ten simultaneous occupations and days of action at 23 state universities and 112 community colleges (Levenson, 2011).

A nine-day strike in 2012 by Chicago Public Schools teachers resulted in the Mayor signing an agreement that avoided the closure of 120 schools. The first teacher strike for 25 years in the city was widely supported by parents, students and community organisations. The Mayor has since proposed closing fifty schools in inner neighbourhoods and continues to cut school budgets in a drive to increase non-union, privately run charter schools. The Chicago Teachers Union has organised mass protests and some schools have been saved from closure (Yates, 2013).

The shift from public schools to US charter schools, UK academies and free schools in Sweden and the UK and the privatisation of universities and colleges is increasingly the focus of protest by student organisations, education sector trade unions and social movements.

**Spain’s movement of mortgage victims**

Anti-foreclosure and eviction campaigns in Spain, the Plataforma de Afectados por la Hipoteca (PAH) have organised local resistance to evictions with national action calling for a change in government and bank policies. PAH began organising in Barcelona in 2009 and then grew rapidly as part of the 15M movement in May 2011, as banks have enforced 420,000 foreclosures and 220,000 evictions in the last six years. It had 160 local organisations by 2013 (Lamarca, 2013). Twenty per cent or 5.6 million homes are unoccupied in Spain.

PAH has organised blockades to stop evictions and has organised the occupation of empty homes and buildings by families evicted due to foreclosure. It also occupied banks to demand debt forgiveness. Firemen and locksmiths in A Coruna, Catalonia and Madrid have refused to assist in evictions. Foreclosures and evictions not only increase homelessness and impose personal financial losses, but unoccupied housing results in a spiral of neighbourhood degeneration, job losses and falling house prices.
PAH campaigned for legislative change to enable people to surrender key and occupation to banks and be released from continuing financial liability. It prepared draft new laws and collected 1.4m signatures in support. Spain’s draconian mortgage laws allow banks to claim full repayment of debt, including any difference in value and legal costs, even after evicting residents (Sutherland, 2013).

The government ignored the PAH proposals and introduced its own very limited measures in April 2013. It only conceded households in extreme hardship that met strict conditions to have their eviction orders frozen for two years. The European Court of Justice had earlier ruled that previous procedures violated EU consumer regulations (Buck, 2013).

PAH organised demonstrations in Spanish towns and cities in February 2013. It intensified the campaign with escrache or unmasking demonstrations at Popular Party politician’s homes to try to persuade them to support the legislation. The government has made arrests and threatened large fines in attempts to discredit the PAH. But the grassroots organisation has wide support – a poll found 78% of Spaniards supported the escrache action (Alvarez et al, 2013).

**Organising against US foreclosures and evictions**

Although US foreclosures and evictions declined from the 2009 peak (see Briefing No. 1), they are concentrated in particular neighbourhoods and have led to community resistance. Standing Against Foreclosure and Eviction (Seattle), Occupy Homes Minneapolis, Anti-Eviction Campaign (Chicago) and Detroit Eviction Defense, are examples of community resistance to foreclosures and evictions. Action has included rapid response teams and community pickets to stop evictions; eviction free zones; re-occupying homes; opposing auctions; sit ins and demonstrations at banks, mortgage companies and public agencies to prevent foreclosures; exposing the scale and consequences of foreclosures; launching legal action against banks and community support in legal cases; building community alliances and links with campaigns in other cities. Buffalo City Council withdrew US$45m from JP Morgan Chase bank in response to its foreclosure policies and several smaller towns have withdrawn accounts from Chase and Wells Fargo banks in response to demands from anti-foreclosure and eviction campaigns (The Huffington Post, 2012).

**Madrid hospitals anti-privatisation campaign and legal action**

Fifty thousand people took part in the eleventh ‘white tide’ march of healthcare workers and community and trade union supporters in Madrid to celebrate the Madrid Supreme Court decision to suspend the privatisation of six hospitals in September 2013. One of the campaign organisers, the Association of Medical Specialists, had taken legal action to suspend the public tender issued earlier in May.

The Asociacion para la Defensa de la Sanidad Publica de Madrid (Association for the Defence of Public Healthcare), and other groups, organised demonstrations on the third Sunday every month after the regional government agreed the 10-year outsourcing plan in December 2012. An initial strike of doctors and nurses in late 2012 failed to stop the proposal and was followed by five one-day strikes in May and June 2013 (non-urgent care) in the city’s 34 hospitals and many health centres. The demonstrations and strikes have been widely supported – opinion polls show 70% of people oppose healthcare privatisation (Reuters, 2013). The campaign also organises rallies and lobbies the Madrid Regional Assembly, mass meetings, petitions and 14km marches from the Hospital del Henares, Coslada to Madrid (Equal Times, 2013).

**London’s Lewisham Hospital campaign**

The UK government appointed a ‘special administrator’ to take over the South London Healthcare Trust in July 2012. He proposed closing Accident and Emergency, children’s wards, critical care, emergency, complex surgery units and maternity services at Lewisham Hospital. The empty buildings would be sold for £17m. The plan was to channel
patients to the Queen Elizabeth Hospital burdened with high Private Finance Initiative (PFI) debt. “It is the PFI that is being bailed out, not the clinical services which people in south-east London depend on. This prioritising of debt repayment over service provision is, in our view, the principal reason that Lewisham Hospital, without a significant PFI, was chosen to take the brunt of the cuts” (Save Lewisham Campaign, 2013).

The Save Lewisham Campaign of patients, doctors, nurses, other healthcare workers, trade unions, political and community organisations built strong support locally and across London: 15,000 marched in November 2012 followed by a march of 25,000 in January 2013. Rallies, mass meetings, workplace protests and public meetings were followed by High Court action in July, which ruled that the Secretary of State had acted unlawfully in announcing closure of A&E and maternity units. The campaign group 38 Degrees raised donations from its national membership, plus local financial support from Millwall Football Club and many others to finance the judicial review.

The Secretary of State for Health appealed but this was rejected the following October. The government had earlier added a last minute amendment to the Care Bill, which if passed would “…legalise much more widespread use of fast-track hospital closures” (Molloy, 2013).

Both the Madrid and Lewisham, London campaigns won important victories and intend to continue organising and taking action to address wider threats and the threat that legal success may be reversed by respective governments.

**Privatisation defeated by Stroud Against the Cuts**

A concerted campaign by Stroud Against the Cuts successfully stopped NHS Gloucestershire from outsourcing 8 community hospitals and health services when the Gloucestershire Primary Care Trust was abolished in 2013. The eighteen-month campaign included a High Court challenge against Gloucestershire Primary Care Trust’s failure to fully examine options for the services. A February 2012 court order halted the planned outsourcing and in May, health ministers and the Trust conceded that creating an NHS Trust was an option and there was no legal requirement for putting the services out to tender.

The court order also required NHS Gloucestershire to consult with staff and the public, which resulted in 91% of staff and 96% of the public voting for services to be run by an NHS Trust (Stroud Against the Cuts, 2012). Gloucestershire Care Services NHS Trust was formed in April 2013 and employs 2,800 skilled staff and manages a further 800 adult social care staff on behalf of Gloucestershire County Council.

In addition to legal action, the campaign held marches, organised petitions, held public meetings, lobbied NHS meetings and was widely supported by NHS staff and unions and the national campaign Keep Our NHS Public.

**Greece – militant action against austerity**

A series of general strikes and large demonstrations were held at each round of austerity measures in early 2010, followed by similar action at each parliamentary debate on budget cuts, bail-out terms and visits by the troika after the two bailouts. The economic crisis worsened as austerity policies imposed a downward spiral of cuts, job losses, hardship and political turmoil. Syriza, a left coalition, won 71 seats and 27% share of the votes in the June 2012 national election and is the formal opposition.

Strikes and demonstrations were organised by particular sectors. For example, teachers unions reported a 90% turnout for a strike on 16 September 2013 that began a week-long series of strikes by public sector workers. A two-month strike of university administrative workers at the University of Athens and National Technical University in 2013 stopped classes, exams and enrolment. University budgets had been cut by 40% and 60%
respectively and the government planned a big reduction in support staff. Two-day strikes at Thessaloniki universities and colleges followed in September 2013.

Thessaloniki’s White Tower and Heraklion’s Eleftherias squares were occupied for several weeks in 2011. Several protests in Athens’ Syntagma Square that summer were ended by riot police, resulting in hundreds of protestors being injured.

2,300 journalists, technicians, news editors and support staff of ERT, the public broadcasting TV and radio network, were laid off by the Greek government in June 2013. They began a five-month occupation of the ERT centre and provided a 24-hour service until an early morning raid by riot police in November.

The harsh social and economic consequences led to the provision of mutual support and solidarity services. They include food kitchens, farmers markets, free markets to exchange clothing and other essentials, solidarity clinics for medical treatment, free lessons by high school teachers and legal support to help people avoid losing their homes, electricity and water (Simpson, 2013). These initiatives have become an important activity in parallel with industrial and political action. Greece Solidarity campaigns have been established in many countries.

There is a danger that austerity conditions lead to the emergence of opportunistic right wing organisations. The fascist Golden Dawn party received 13% of the vote in the June 2012 election and has 18 members of parliament. An anti-fascist hip-hop artist was murdered by a Golden Dawn supporter in September 2013, and numerous attacks have been made on immigrants and asylum seekers (Syllas, 2013).

**ICELAND STOPS REPAYMENT OF BANK DEBT**

Shortly after the collapse of three Icelandic banks in 2008 and deteriorating economic conditions (see *Unmasking Austerity*) a series of noisy demonstrations of between 2,000 – 7,000 people were regularly held at the Parliament in Reykjavik between October 2008 and January 2009. They surrounded the building with the intention of preventing or disrupting parliamentary meetings. There were many clashes with riot police and arrests. The right-wing Independence Party government resigned in late January 2009. The Social Democratic Alliance and Left-Green Movement formed an interim government and won a majority of seats in the April election.

The first Icesave referendum was held in early 2010 after Britain and the Netherlands demanded repayment of depositor’s losses in the foreign subsidiary of the collapsed Landsbanki bank. The President of Iceland invoked the 1944 constitution to hold a referendum in which 98% voted that taxpayers should not bail out the banks. Another referendum was held in 2011 after the Icelandic Parliament agreed to a repayment plan, but this was again voted down at another referendum with a smaller, but clear, majority. The UK and Netherlands governments paid €6.7bn compensation to 425,000 Icesave savers and took legal action against Iceland for failing to meet its compensation obligations, but a European Free Trade Area court dismissed this case in January 2012.

**PORTLAND, USA, ACTION AGAINST CUTS**

Over four hundred trade union and community representatives challenged the need for US$25m savings in an April 2013 budget hearing in the preparation of the Portland, Oregon, 2013-2014 budget. They gave evidence opposing the cuts and protested the Council’s refusal to discuss alternatives to austerity. At a subsequent hearing it emerged that US$3.5m was ‘found’ and the loss of 142 full-time equivalent jobs reduced to 25 people through a voluntary retirement incentive programme. An alternative plan for a progressive county income tax, a progressive business tax in place of the current flat rate scheme and restructure of the Portland Development Commission by two academic economists was rejected.
“The grassroots struggle over the city budget in 2013 helped to spread the popularity of such an approach and established a network of union and community members who are willing to unite around it. By focusing on building unity around concrete revenue-raising proposals, by exposing how budget priorities are set and how they hurt our communities, and by organizing to expand our movement, we will be better able to face the challenges coming our way in 2014” (Solidarity Against Austerity, 2013).

3.2 Opposition to Privatisation

This section refers to action taken specifically against the privatisation of state owned corporations as distinct from it being an integral part of campaigns against austerity. It also only deals with austerity related privatisation since 2008 (see Whitfield, 2010 and 2012 for analysis of privatisation).

Both US and UK governments re-privatised some bank and other financial institution assets nationalised after 2008. The UK sold a 6% stake in Lloyds Bank in September 2013 but still retains a 39% stake and 81% stake in Royal Bank of Scotland. Germany is selling DEFFRA Bank plc (Dublin based) a European Commission requirement following the German government bailout of €10bn capital and €124bn liquidity guarantees during the period 2008-2010 (Moody’s, 2013). There has been some criticism but little resistance to these sales.

All five bailout countries are being forced to privatise a range of public assets. However, there have been relatively few assets privatised to date, such as lotteries (Ireland) and land and buildings. Greece has privatised a controlling stake in the gaming company OPAP and sold land and buildings in several areas and overseas. More contentious assets sales are in progress or are part of longer-term programmes that will extend beyond bailout programmes. The sale of Thessaloniki Water in Greece and Ireland’s Bord Gais Energy are underway with increasing opposition.

Privatisation has continued in other European countries such as UK’s sale of a majority stake in Royal Mail in 2013. But some assets have been re-nationalised and re-municipalised, for example in France, Germany and the UK since 2008. Public ownership of the economic and social infrastructure is vitally important. Returning the management and control of schools, hospitals, council housing, public transport, roads, water and energy to the public sector is vitally important. Water in Paris and Berlin has returned to public provision, London Transport PPPs collapsed and some local services have returned to in-house provision. But these important developments do not represent a ‘wave’ of re-nationalisation when compared with the increasing rate of outsourcing and privatisation.

At the local level two UK campaigns to prevent large-scale outsourcing had very different outcomes. Edinburgh City Council terminated the procurement of three strategic partnerships for corporate and transactional services, integrated facilities management and environmental services between November 2011 and January 2012. Trade unions had campaigned for two years for in-house improvement plans and against privatisation. High levels of trade union membership and Edinburgh’s political control were significant factors. The city council had been a Liberal Democrat/Scottish National Party coalition since 2007 with four parties, including Labour and Conservative, having between 16-11 seats and the Greens three seats.

In contrast, the London Borough of Barnet embarked on a mass outsourcing of services in 2008. Trade unions, in particular UNISON, challenged and criticised each stage with support from the European Services Strategy Unit. However, their proposals and comments were largely ignored, despite making the case for an alternative service improvement strategy. Staff took industrial action at a key stage of the procurement process. The Conservatives with a 15-seat majority proceeded to outsource planning, regulatory and corporate services in two contracts worth £475m with nearly 800 staff.
The council also outsourced parking and transferred adult learning and physical disability services with 172 staff to a local authority trading company.

A vibrant Barnet Public Service Alliance community campaign began in autumn 2010. With few divisions in Conservative ranks and/or managers willing to break from neoliberal management practice, it was increasingly evident that this was not a ‘local’ problem, nor could it be ‘resolved’ locally. Over sixty strategic partnership contracts had been signed in the UK in the last decade with a contract value of £13.6bn and 27,000 jobs (Whitfield, forthcoming).

**Germany: Blockade of the European Central Bank**

The European Central Bank headquarters in Frankfurt was blockaded and closed on 31 May 2013 by 3,000 Blockupy activists, including many from other European countries. A similar action a year earlier was thwarted by a citywide ban on protests and police roadblocks. This time Blockupy marched to the bank at 5am. After the ECB closed the bank, they marched to the city centre and blocked the main shopping street to highlight low wages and temporary work. The following day, 15,000 marched to the ECB headquarters, but were stopped by police demanding identification checks. Many were injured and arrested after the police used tear gas.

Both demonstrations were preceded by four days of meetings and debates on pan-European issues and tactics. Die Linke, Germany’s largest left-wing party, supported the protests, but “…most trade unions were completely absent as well as other large organisations of the reformist left” (Principe and Thun, 2013).

**Ireland Limited by Social Partnership**

A social partnership between unions, employers and the state led to a muted response and lack of leadership in challenging draconian austerity policies. Social partnerships commenced in 1987 with three-year national agreements covering pay restraint, public sector staffing and procedures and included trade unions support for PPPs. The employers withdrew in 2009, but the following year the Irish Congress of Trade Unions (ICTU) and the government signed a Public Service Agreement that included large pay and pension cuts, job losses and increased efficiency measures.

Social partnership is deeply embedded and has led to reduced member involvement in unions and accelerated the trend towards ‘business unionism’ (Allen, 2013 and Erne, 2013). The ICTU organised marches as part of European Trade Union Confederation days of action, but little more. The prime response to austerity was to replace one partnership with another.

However, there have been several local hospital campaigns against closures that attracted large support, such as 15,000 people in Waterford (10 February, 2012), 7,000 in Navan (30 October 2010) and 8,000 in Roscommon 14 August, 2010.

**Other EU Countries**

Demonstrations were not confined to the bailout countries and other E15 countries. In Bulgaria, demonstrations in early 2013 were sparked by high energy prices, which led to a general election. Within months further street protests demanded an end to political corruption (Stankova, 2013). Privatisation of emergency services in a new health bill triggered protests in 60 towns and cities in Romania in 2012, leading to the resignation of the government in February 2012 (Volintiru, 2012).

**Action in Cities Facing Financial Crisis**

Local trade unions and community organisations held marches, lobbies and pickets of Council meetings and the US District Court in Detroit during the bankruptcy proceedings.

*WISeR and ESSU* (2013)
More than 1,000 surrounded the bankruptcy court in October 2013 and earlier demonstrations had demanded ‘no deals with banks’, ‘bailout cities – not banks’, resignation of the emergency manager and the protection of health and pension benefits.

Meanwhile, the Chicago Teachers Union (CTU) demanded the city council reallocate surpluses in 151 Tax Increment Financing zones and re-negotiate Bank of America toxic swap deals with the city. The CTU demonstrated at the bank’s State Street branch in June 2013 – schools were paying a fixed interest rate of 5% compared to the bank’s 0.42%, resulting in a loss of US$35m to Chicago schools (Chicago Teachers Union, 2013 and McCartin, 2013). The CTU and Service Employees International Union and the UNITE union are part of the Grassroots Collaborative that includes low-wage service employees, the homeless, senior citizens, immigrants, peace activists, faith leaders, and residents of poor and working class neighbourhoods (http://www.thegrassrootscollaborative.org).

UK Regional Development Agencies were abolished in 2012 and ‘replaced’ with powerful business–led Local Enterprise Partnerships (alongside City Deals and a Single Local Growth Fund) with strategic long-term plans for economic development; transport, infrastructure and housing investment; and EU Structural and Investment Funds in England. The government also deregulated city planning and adopted Tax Increment Financing (funding building projects by borrowing against future property tax increases). There has been a muted response from trade unions and community organisations to these drastic changes.

**Free trade agreements extend austerity**

Several free trade agreements are currently being negotiated that will extend the austerity agenda through further deregulation, procurement, privatisation together with new corporate powers.

The Transatlantic Trade and Investment Partnership (TTIP), also known as the Trans-Atlantic Free Trade Agreement (TAFTA), could roll-back financial reforms, buy-local rules, tax breaks for alternative fuels, food and product safety standards, data privacy protections and limit negotiations to reduce healthcare costs. It could massively increase corporate power through extra-judicial tribunals to protect investor rights (Corporate Europe Observatory, 2013 and Public Citizen, 2013a).

The draft Trans Pacific Partnership (TPP) includes the US and eleven Pacific Rim countries, such as Australia, Canada and Japan, and has a docking system to allow other countries to join later. The TPP extends well beyond state-owned corporations, local government purchasing, patent and other regulations. The TPP is primarily a US “…geo-political exercise with a dual purpose: to construct a trade and investment bloc which reflects U.S. commercial interests and regulatory norms, and to counter the growing dominance of China in the Asia-Pacific region… Ultimately, the goal is to convince China to join the TPP on terms that compel Chinese reform in areas such as state-owned enterprises and currency manipulation” (Sinclair, 2013).

The TTIP has a similar “…investor-state enforcement system, which elevates individual corporations to equal status with sovereign nations in order to enforce privately a public treaty by demanding compensation from governments before panels of private-sector attorneys for government actions that undermine expected future profits” (Public Citizen, 2013b). For example, the pharmaceutical firm Eli Lilly is demanding $500m from Canada, where courts invalidated patents on medicines that did not perform as promised. Canada is also engaged in the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) negotiations to liberalise trade and procurement.

The US-Colombia Free Trade Agreement came into force in May 2012. This was after the US produced a sham ‘Labor Action Plan’ to appease Congressional five-year opposition given Colombia’s violent treatment of trade unionists. A farmer’s strike demanding suspension of the FTA in August 2013 mushroomed into a seven-week national strike of
miners, teachers, truckers and students as shortages increased and prices soared. Over 200,000 people blockaded highways on the sixth day of the strike. Later twelve people were killed and over 500 injured following a violent crackdown. The government made some concessions and negotiations continue (Mather, 2013).

3.3 NEW ORGANISING STRATEGIES

Spain’s 15M movement

The Real Democracy NOW Platform (Platforma Democracia Real Ya!), a grassroots organisation formed earlier in 2011 with a manifesto demanding an ethical revolution, participative democracy, the right to housing, employment, culture and health and an end to the lust for power and accumulation for the few (http://www.democraciarealya.es/manifiesto-comun/manifesto-english/).

On May 15 it organised a Madrid protest that 50,000 mainly young people participated in. A small occupation of the Puerta del Sol that evening led to heavy-handed police intervention and arrests. Thousands of people returned to the square in protest and occupations of main squares spread to other cities. A month later over one million people took part in 15M demonstrations across Spain, with 200,000 in Barcelona.

The 15M movement was deeply involved in the Movement of Mortgage Victims (see above) and redirected its activities from October 2011 to focus on activism in neighbourhoods through assemblies, coalitions and direct action. It was a bottom-up, networked approach, in direct contrast to the vertical power structures of the main parties (Elola, 2012). 15M returned to national protests on 15 May 2012, although fewer participated.

The movement grew beyond and because of delusion with the main political parties and trade unions, which represent about 17% of the workforce. However, there was an escalation in labour disputes in 2012 with two general strikes, both supported by key 15M collectives. They also supported demonstrations organised by smaller unions and inspired the ‘tide’ movements consisting of “…collectives of both state employees and users in defense of public services threatened by government cuts, using a different color for each one (white for the health system, green for education, yellow for public libraries and so on... Or the “iaioflautas”1, a collective of elderly people who are leading many actions with high media impact, mainly occupations of bank offices and public administrations” (Cerrillo Vidal, 2013).

“Both the content (the call for an improvement in democratic processes) and the format of the event (with the rank-and-file overtaking the leadership in numbers and militancy) suggest that the union movement has been strongly impregnated by the agendas and demands of the 15M movement, even if this convergence has not yet been translated into the formation of a renewed, more diverse leadership or a more profound sharing of networks” (Marti, 2012).

The 15M movement made the case for ‘inclusive strikes’ that engage the unemployed, students, precarious workers and all citizens, and would require new and innovative forms of social and labour protest.

UK Uncut

The UK Uncut movement began with demonstrations against tax dodging stores and banks such as Vodafone, HSBC, Barclays, Topshop and others in autumn 2010. They began with the closure of Vodafone’s flagship store in London’s Oxford Street and quickly spread to other cities using occupations and close-downs to highlight the scale of tax avoidance by individual firms and the national scale of the problem. Later Amazon, Google and Starbucks were also targeted. It was highly successful in pushing tax avoidance up the political agenda.
The strategy of linking direct action against tax avoidance with specific public spending cuts continued with a series of campaigns that included:

- Action against the big six energy companies over price increases.
- Road block protests against cuts and ‘reform’ of legal aid.
- A joint occupation of the headquarters of the Department for Work and Pensions and at Atos, the outsourcing company with a contract to the company to assess whether claimants for incapacity benefits are ‘fit for work’, against welfare cuts.
- Occupation of high street banks to set up ‘operating theatres’ to highlight alternatives to cuts in the National Health Service.

UK Uncut organises and operates through its website and social media with extensive use of video of actions to encourage similar demonstrations in other cities.

**Occupy Wall Street**

The Arab Spring, particularly in the occupation of Tahrir Square in Cairo, Egypt, inspired the Occupy movement in Europe and North America. The Occupy Wall Street (OWS) occupation of Zuccotti Park began on 17 September 2011 and ended with a violent police eviction on November 15. It generated occupations not only in other cities across North America and Europe, but in small towns too. Nearly thirty per cent of California’s incorporated 482 towns and cities were occupying spaces and organising events in December 2011 (University of California, Riverside, 2011).

Trade union support for the occupation was initially tentative but delegations began arriving and offers of support and supplies increased:

“Union members arrived in force to support the eviction defense on October 14. Later in the day, members of OWS joined the picket line in front of Verizon [telecommunications company] headquarters. They carried signs declaring ‘We are the 99%’ linking worker struggles with a movement against corporate greed. Throughout the following weeks, OWS members spoke out in support movements for health care, higher education, and efforts to oppose hydro-fracking” (Shepard, 2012).

The OWS ‘We are the 99%’ slogan was described as ‘a national shorthand for income disparity’ and “…a simple and statistically undeniable socio-economic ratio and transferred it directly into a political slogan” which “…stood out against a long US tradition of single-issue –movements and identity politics” (Rehmann, 2013).

OWS participants have since developed other projects. Occupy Sandy was formed as Hurricane Sandy battered New York City and New Jersey in October 2012. Occupy Wall Street participants established a network of hurricane relief including donation centres, mutual aid hubs, repaired houses damaged by the flooding and generated $1.3m in donations. Strike Debt! is a nationwide movement of debt resistors fighting for economic justice and democratic freedom. Occupy groups in other US cities have taken action against foreclosures and prevented evictions.

**Greater Toronto Workers Assembly**

The Greater Toronto Workers Assembly (GTWA), in Canada operates through a general assembly, an elected coordinating committee plus political development and education, public sector campaign, international solidarity, feminist action, cultural and free and accessible transit campaign committees. It has a flying squad committee of labour and community activists that organises support for strikes, lockouts and demonstrations. The GTWA’s political and educational work has been vital in supporting action and developing a solidarity platform of demands:

“Many unions are pursuing short-term strategies that fend off or minimize the impact of the crisis on their own members, but fail to address its underlying causes,”
Opposing Austerity

challenge the inequalities it is reinforcing, and build the necessary alliances with the unemployed and the thousands of people living on various forms of social assistance” (http://www.workersassembly.ca).

Public Service Alliances in the UK

Barnet Public Service Alliance (BAPS) is a coalition of residents, campaign groups and trade unions campaigning for high quality services in the London Borough of Barnet. Launched in September 2010, with over 200 people attending, it initially focused opposition to the council’s One Barnet mass outsourcing plan and has since coordinated action against a wide range of austerity measures and public policies. BAPS holds open weekly meetings, supports local campaigns, organises demonstrations and coordinates evidence and interventions at council meetings. It is a model local authority or city-wide grassroots Public Sector Alliance.

A TUC Regional umbrella Northern Public Service Alliance has 11 local area coalitions in Tyne and Wear, Teeside and Cumbria to promote alternatives to public spending cuts, campaign to protect public services and public sector employment and build coalitions with public service users. They involve UNISON and Public and Commercial Service Union (PCS) branches and have focused on TUC supported industrial action, rallies, lobbies and support for national demonstrations.

US Workers Centres and Community Organising

In the last decade Worker Centres have widened local membership, created new chapters locally and in other cities, established stronger strategic alliances with trade unions and national alliances with social justice organisations. By 2012 there were 214 Centres, which have a critical role in organising, living wage advocacy and support for low wage, primarily private sector, immigrant workers. Most Centres have public, foundation and trade union funding.

Make the Road New York is the largest participatory immigrant organisation with 11,000 members rooted in Latino working class communities and engaged in workplace justice campaigns, action against uncontrolled rent increases and safe schools. It provides literacy and workforce development, legal services, access to health insurance and services to students and job seekers. New York Communities for Change persuaded several municipal authorities to close their accounts with JP Morgan Chase Bank and exposed the foreclosure crisis in New York.

Domestic Workers United helped found the National Domestic Workers Alliance that has thirty three affiliates in seventeen cities and a strategic alliance with national unions and the AFL-CIO; the Restaurant Opportunities Center of New York now operates from eight cities; and the National Day Laborer Organising Network has twenty-nine affiliates (Fine, 2011). The Vermont Worker Center’s People’s Budget Campaign seeks fundamental change in the state’s budget and revenue policy.

Peoples Assembly’s

A national People’s Assembly was held in Britain in June 2013 with the objective of building a permanent coherent mass movement against austerity. The emphasis was on ‘joining up’ trade unions, protest groups and to help mobilise people against austerity. Local Peoples Assembly’s have been held in many cities building on previously established local Coalition of Resistance groups. This approach contrasts with the 15M movement in Spain that originated outside of trade union and political party structures.

Trades and Central Labour Councils

Many of the UK’s 160 Trades Councils have been actively engaged in local cuts campaigns, while others have been unable to revive the political economy research and activism of previous decades. US Central Labour Councils have created coalitions, local economic research and work on community issues.
"Even amid tight public budgets, using leverage over zoning, land use decisions, tax incentives, and other mechanisms of local governance has provided an avenue for labor to take up activism in other areas that directly affect people’s lives: transportation, housing, and community development" (Dean, 2012).

**NEW US TRADE UNION STRATEGY**

The American Federation of Labor and Congress of Industrial Organisations (AFL-CIO) launched an initiative in 2013 to build a broader coalition to advance a worker economic and political agenda. It invites non-union members into the Working America organisation that already has 3.2 million members not represented in workplace bargaining. Progressive groups such as worker centres, public policy organisations, community organisations, civil rights, feminist, environmental and student groups will become partners or affiliates of the AFL-CIO.

The need for radical change has been widely advocated:

"...unions need to link their survival to the promotion of the common good" (McCartin, 2013)

"...labor needs a vision (and a program) of what a more equitable society would look like and what it takes to achieve it. This move would shift labor’s strategy toward independent political action and away from legalism" (Aronowitz, 2011)

"Organised labor must provide concrete reasons for people to see it not as a special interest group for a few sheltered workers, but as a leader in crafting solutions to community problems" (Dean, 2012).

Movement demands must be inclusive between workers and community needs; policies that affect collective resources such as progressive taxation, increased corporate taxes; and inclusive of all instead of the divisive ‘hard working families’ and ‘middle class values’ (Luce, 2012).

For example, the AFL-CIO forged a partnership with United Students Against Sweatshops (USAS) in September 2013. USAS is the

"...largest youth-led campaign organization dedicated to building a student-labor movement. Its affiliated locals on over 150 campuses run locally and nationally-coordinated campaigns for corporate accountability and economic justice, working in partnership with organizations of workers. USAS campaigns expose and hold accountable corporations that exploit people who work on campuses, in communities and in the overseas factories where collegiate apparel is produced" (AFL-CIO, 2013).

The agreement for new tactics for shared planning, strategies, and organising to strengthen each party’s movements better advances the interests of both students and workers.

There are concerns about developing effective strategies to defend and revive existing trade union membership, the potential effect of diluted forms of membership, and the difficulty of relying on existing members to finance the new alliances. However, if unions don’t deliver to those same members they may not take a meaningful role in the new broader alliance (Olney, 2013 and Early, 2013).

**BUILDING POLITICAL SUPPORT**

The most dramatic gains were made by Greece’s Syriza (Coalition of the Radical Left – Unitary Social Front) formed in 2004, which won 71 seats and 27% share of the votes in the June 2012 national election. Smaller parties such as Spain’s United Left and the Union Progress and Democracy centre party and Ireland’s United Left Alliance have made small gains in comparison. New parties have been formed, such as Left Unity in the UK, but have yet to contest elections. European Elections in May 2014 should indicate the level of support in many countries.
4 KEY ISSUES AND FUTURE STRATEGIES

Austerity measures are set to continue for many more years irrespective of whether countries exit bailout programmes and/or show early signs of economic growth. Hence the assessment and debate about lessons learned must continue.

Australia has fortunately not experienced the intensity of austerity policies elsewhere. Trade unions have adopted creative forms of industrial action to minimize job losses and real wage cuts. However, comparing tactics in negotiating annual pay increases is quite different from responding to large centrally imposed pay and pension cuts. They underestimate the potential impact of neoliberal policies and austerity measures. Furthermore, internal trade union organisational reforms and workplace activism is unlikely to constitute an effective challenge to austerity and neoliberal policies. Australia’s restrictive industrial action laws means that trade unions should draw on the experience of joint industrial, community and social movement action elsewhere.

4.1 OPPOSING AUSTERITY AND NEOLIBERAL TRANSFORMATION IN THE PUBLIC SECTOR

- Most local and national anti-cuts campaigns were essentially defensive and rarely changed national public spending programmes. However, cuts to public sector pay and pensions, welfare benefits and public services would have taken an even larger share of austerity measures if opposition had been less forceful. Coordinated European and national demonstrations and marches were important to rally support to show the high level of opposition to austerity policies. However, they were, in part, predictable and repetitive and more European-wide coordinated local/regional action might have been more effective in organising and challenging austerity policies.
- Single-issue campaigns are increasingly rare because attacks on workers’ rights and collective bargaining are usually part of the austerity agenda of budget cuts, outsourcing and privatisation. Trade unions have to ensure that organising and action strategies are, and remain, focused on the wider agenda in the workplace, community and economy.
- Privatisation has mutated and created new ways in which services and assets can be outsourced, transferred or sold to the private sector. This has a profound impact on jobs, incomes, the quality of services and the way people live their lives. Resistance and alternatives to these policies should be a key priority.
- There have been many examples of action targeted at banks and financial institutions. It is vital to maintain the demand for fundamental reform and re-regulation of the financial system. Failure to do so could lead to the return of a laissez faire approach and another financial and economic crisis sooner than would otherwise be the case.
- Corporate interests are demanding even deeper public spending cuts, workplace ‘reform’ and privatisation whilst ensuring corporate welfare subsidies and tax breaks are protected. US trade unions and public policy organisations have exposed the activities of the right wing American Legislative Exchange Commission (ALEC), foundations and think tanks in promoting austerity and neoliberalism. Challenging and confronting corporate interests should be an integral part of action strategies.
- The financial crisis created opportunities to accelerate the neoliberal transformation of the public sector and welfare state (Whitfield, 2013a). There was a lack of national strategies to address these policies and to provide support and resources to tackle outsourcing and the transfer of public services to social enterprises (Whitfield, 2013b). Despite UK Coalition policies since 2010
and subsequent legislation to radically restructure and privatise the NHS, a national demonstration was not held until September 2013.

- Trade unions must be more proactive in advancing alternative policies and innovation to retain and improve in-house services. Local strategic advice, research and investigation and technical expertise is needed locally to intervene more effectively in the review, options appraisal, business case and procurement processes. This will require a re-prioritisation of objectives and resources to achieve a step change in trade union capability and capacity.

- Demonstrations succeeded in increasing the profile of tax avoidance by global companies and the wealthy and the importance of tax revenue in sustaining public services and the welfare state. Although various policies and action plans have been agreed internationally, implementation is awaited and pressure must be maintained.

- Trade union, student union and community membership models are vitally important in organising and sustaining action strategies. They provide organisational structures, resources, a degree of stability and varying degrees of democratic accountability. It should not be a competition between organisational and ‘movement’ models, but how they can all contribute to the same objectives and demands (for example AFL-CIO). Participants in campaigns and social movements may politically identify with organisations or movements, but not necessarily through formal membership. Traditional organisational strengths are often overstated and weaknesses covered up to maintain bureaucratic control. This may also be intended to prevent political challenge to existing relations with social democratic parties, which in many cases, now occupy the right of centre political ground. Trade unions need to build more sustainable alliances that organise and jointly campaign on the economic, social, health, environmental and social justice challenges confronting their members, families and communities.

- Young people (unemployed, students, employed, carers) should be supported so that they can be more actively engaged in struggles they deem important.

“...the anti-precarity networks have been able to create a vibrant political space in Portugal—unfortunately this space is more virtual than concrete. These groups work very efficiently with new media: they have established a series of blogs and websites used by precarious workers to share experiences and discuss politics and have also built up good relations to the traditional media, allowing them to highlight demands and campaigns in the mainstream news. But the core group of organisers is small and has grown very little through the years, precisely because of their rootlessness.”

“...the movement has punched above its own weight on multiple occasions, giving many of us the illusion that we are stronger than we actually are. This is a problem as it means we neglect building rooted sustainable networks of resistance in the workplaces and communities, but rather focus on large one-off demonstrations that are not followed up with further struggle” (Principe, 2013).

- The quality of service, democratic accountability and social justice should become a core part of trade union organising, campaigning and negotiating. This may require rethinking the way industrial action is planned and organised with greater emphasis given to building wider community support.

- The trade union twin-track strategy to oppose Public Private Partnerships (PPPs) nationally, but negotiate locally on individual projects, is only a viable strategy if it includes a national alliance of trade unions, community and civil society organisations. This never materialised. Involvement in the procurement process was limited to employment matters for most trade union branches’. PPPs have since become embedded in more countries and PPP markets in finance, construction, operators and consultants have expanded globally.
The way in which infrastructure, regeneration and development projects are planned and managed should be more rigorously challenged. Intervention at an early stage of the planning and procurement processes is vital in developing trade union and community strategies, more specifically in times of austerity.

Success in Iceland was not repeated elsewhere because the intensity and focus was much more difficult to achieve in larger countries. Nevertheless, important lessons can be drawn from the combination of political, trade union and community action.

New approaches to organising, building alliances and action strategies will require a degree of ideological and cultural change within trade unions, community and civil society organisations. This could be addressed through education, training, recruitment and practical engagement in coalitions.

The UK voluntary sector is now deeply divided between organisations engaging in the outsourcing public services and those opposing this approach in principle, because of the potential weakening of advocacy. It mirrors developments in the US non-profit sector between advocacy/campaigning and service provision roles. The National Coalition for Independent Action has organised opposition to this pro-contracting approach, but further action is needed to prevent the voluntary sector adopting private sector employment practices in a race to the bottom to win contracts.

Action against austerity saw a step change in the use of digital communications to establish movement networks, organise direct action, build support and keep those involved up to date with information, evidence and events. This unquestionably was reflected in better organised and sustainable campaigns. On the other hand, a word of warning is reflected by the Bristol & District Anti-Cuts Alliance (2013):

“...just because you are a ‘friend’ of an anti-cuts Facebook page or follow the right blogs doesn’t mean you are actually doing anything” or have access to political analysis.”

Democratic accountability, participation and transparency are vital in trade unions, community organisations and social movements, not just in government and the economy. Austerity campaigns reflect very different approaches to decision making ranging from 15M and Occupy movement assemblies to top-down decision-making in large membership organisations. This should spur the development of more participative democratic forms of decision making.


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