

‘Crisis of Trade Unionism in Latin America?’ A Comment.

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Francisco Zapata’s article ‘¿Crisis del sindicalismo en América Latina?’ sets out a significant framework for the comparative study of labour movements in Latin America. Scholars who aim to explain changes in trade union strategies and compare the reasons for the relative success and failure of trade union strategies in particular economic sectors and countries will find his analysis very useful for establishing the relationship between economic reforms and the crisis of trade unionism in Latin America. Trade unions in Latin America are confronted with two paradoxes. Firstly, labour movements (re-)emerged as an important opposition force in the context of protests against authoritarian regimes. This provided labour movements throughout Latin America with renewed legitimacy as members of the opposition and legitimate representatives of workers. However, democratisation usually did not produce the expected positive results for inequality, poverty, and workers’ rights. More in particular, when Latin American governments began to introduce macro-economic stabilisation plans and economic reform programmes - including state reform, privatisation, deregulation and trade liberalisation – during the 1990s, not only large-scale mobilisation and strikes, but also more formal participation of non-state actors in decision-making and consultation were seen by governments as potentially jeopardising the success of these plans. Therefore, governments tended to become more hostile to political participation and opposition. Secondly, even though unions managed to play a crucial role in the democratisation process and in widening the transition agenda to include social concerns and workers’ rights, changes in the labour market, economic restructuring and long-term processes of socio-economic change started to undermine the traditional constituency of the labour movement.² Both processes fundamentally shape current possibilities and limitations of trade union action in Latin America. Zapata’s article mentions a set of sources of trade union power, namely (1) the search for control over the production process and labour markets, and (2) access to political parties and government. Although these two sources of power are fundamentally challenged by the two paradoxes mentioned above, a focus on crisis can obscure the study of the changes that have happened in trade union action and the way unions have adapted their strategies in order to deal with new realities. I would add to the two sources of power that trade unions also derive power from their position as a major actor in civil society and from their attempts to adapt their strategies and actions to changes in the economic, social and political context of work. In addition, it is worth considering whether the strong relationship of part of the Brazilian labour movement with the Partido dos Trabalhadores (PT) also presents new avenues for a reconfiguration of trade union power.³ By considering the labour movement’s role in society, it is possible to start explaining how and why trade unions have adapted to new circumstances. On the one hand, some trade unions have changed their strategies from a

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² It is difficult to generalise the impact of economic restructuring and long-term socio-economic change. The degree to which workers have been affected is conditioned by firms, the nature of trade union organisation, industries, regions and countries, and depends on ‘competitiveness, firms’ strategies, government policies, institutional environments and relative position in the global economy’, Manuel Castells (2000) *The Rise of the Network Society*, Oxford: Blackwell, 2nd edition, p. 280.

³ For reasons of space, I do not explicitly discuss the relationship between Brazilian trade unions and the Workers’ Party since the 2002 presidential elections in this short paper (this is the topic of a forthcoming article in *Latin American Perspectives*).

focus on confrontation and pro-active wage demands to a more defensive strategy, focused on the maintenance of job security, and employment and wage levels, mostly by attempting to participate in management decisions, or by proposing alternative company restructuring strategies, or by using industrial action in order to put pressure on employers to lessen the effects of restructuring on employees. In the Brazilian case, instances of strategic adaptation and a shift towards defensive bargaining strategies can be found in sectors where unions are relatively strong, such as the automobile sector. The unions in these sectors tend to view the attempt to influence economic restructuring and labour flexibilisation at the company level, while maintaining a critical point of view, as a crucial strategy in times of adverse economic circumstances. Most unions in former state-owned enterprises strongly opposed privatisation, but in a minority of cases, unions or groups of workers attempted to participate in the privatisation negotiations or stimulated workers to buy shares in order to influence management after privatisation. Although opposition to privatisation in the public services sector is also militant, unions have proposed schemes in which the management of public utilities companies are monitored by democratic 'stakeholder' committees.⁴ On the other hand, the unionism that re-emerged as an opposition actor at the end of the 1970s in Brazil actively tried to distance itself from the official, corporatist unionism characteristic of the period before and during the military regime. This new labour movement has been characterised as 'new unionism' in Brazil and social movement unionism by Gay Seidman.⁵ It is important to note that the dimensions of new unionism mentioned below consist of both aspirations and existing elements of trade union action. (1) A focus on internal democracy and democratic labour relations. On the one hand, unions tried to reform their internal structures in order to make them more accountable to their membership. On the other hand, at the start of the 1980s, new unionism's militancy was successful in pressurising employers (predominantly in the industrial sector) to allow workplace representation through trade unions, which was forbidden under the corporatist labour legislation. This process resulted in the establishment of factory commissions. Although factory commissions lost a lot of their prominence after the mid-1980s, they represent a commitment to the democratisation of labour relations. (2) Autonomy from the state and a rejection of corporatist unionism. New unionists rejected the corporatist role of unions as transmission belts for state policies and opened the way for a more political role of unions, in addition to the representation of members' interests. Furthermore, new unionists rejected trade unions that solely existed to receive their share compulsory union tax (*impôsto sindical*). For this reason, the strongest unions (mainly in the industrial sector) decided to abolish the compulsory union tax and make union membership voluntary. At a different level, (new) unionists maintain a strong expectation about the state as a key actor in the development process. Interestingly, many protests against privatisation focused on the state's key role in economic and social development.⁶ (3) Strong connections with social movements, and, in the Brazilian case, a strong relationship with a new left-wing party based on trade unions, the Partido dos Trabalhadores. With regard to the union relations with other social movements, one can speak of a labour movement that stretches beyond formal trade unions and includes groups and organisations that deal with workers' rights and social issues in the broadest sense of the word. Examples are the relations with emerging civil society groups during the 1970s and the

⁴ See Marieke Riethof (2002) *Responses of the Brazilian Labour Movement to Economic and Political Reforms*, Amsterdam: Rozenberg, chapters 5 and 6; Iram J. Rodrigues (1999) 'A trajetória do novo sindicalismo', in Iram J. Rodrigues (ed.) *O Novo Sindicalismo: Vinte Anos Depois*, São Paulo: Vozes, pp. 73-94.

⁵ See Margaret E. Keck (1989) 'The new unionism in the Brazilian Transition', in Alfred Stepan (ed.) *Democratizing Brazil: Problems of Transition and Consolidation*, New York: Oxford University Press; Rodrigues, op cit.; Gay W. Seidman (1994) *Manufacturing Militance: Workers' Movements in Brazil and South Africa, 1970-1985*, Berkeley: University of California Press

⁶ See Riethof, op. cit., chapter 6.

Movimento dos Trabalhadores Rurais Sem-Terra (MST - Landless Workers' Movement). The position of trade unions as part of a broader 'labour' social movement does not imply that there are no tensions. Major strategic tensions exist between the main Brazilian union federation CUT (Central Única dos Trabalhadores) and the MST, of which the latter tends to be more radical and militant, but also more successful in organising mass mobilisations. (4) A broad perspective on the meaning of representation. A broader perspective on the working class and the labour movement's constituency involves attempts to include and organise workers outside the formal sector. New unionism also tries to connect the representation of workers' interests with a wider political programme for democratisation and socio-economic change. In addition, many trade unions have tried to broaden their constituency and legitimacy by offering social programmes, such as housing projects, education and training, and support in job searches and retraining. The concept of new unionism as described above is not only a useful addition to the analysis of the impact of economic restructuring on the power of trade unions, but can also lead to a number of questions contributing to a much-needed comparative framework for the explanation of changing labour movement strategies in Latin America. The first and second characteristics of new unionism refer to the nature of the internal organisation of the labour movement: to what extent have trade unions attempted to change their organisational structure and for what reasons? have trade union organisations, after initial militancy and radicalism, become more professionalised and centralised? which groups of workers (e.g. industrial and rural workers, public sector unions) form the majority in the labour movement and to what extent does the labour movement equally represent all sectors of the working population? An investigation of the nature of the relationship of trade unions to the state is crucial, as corporatist union organisation and relations with the state have left a strong institutional legacy. In addition, this relationship raises the question whether the labour movement views the state as a crucial actor in the development process and as a provider of welfare and social policies, despite attempts of reform programmes at minimising the role of the state. The third and final points refer to attempts to overcome limits to representativeness. As trade unions usually only represent employed workers in the formal sector, their representativeness and legitimacy in representing the interests of all working people is limited. Some of the questions raised by these limitations are: do trade unions attempt to organise unemployed people or workers in the informal sector, and what is the effect of these strategies on the labour movement itself?; to what extent do trade unions establish relations with other social movements that deal with social and workers' rights in the broadest sense of the word, and what tensions exist within these relationships? It is important to acknowledge here that conflicts also exist between trade unions and between central union organisations. These tensions can sometimes be debilitating, as a lack of unity can be exploited by governments and employers, but can also be a reason for unions to compromise, adapt their strategies and build coalitions with other organisations. Apart from the need to formulate a comparative framework for the analysis and explanation of changing trade union strategies in developing countries, a normative question about trade union action remains open for debate – this normative point does not only refer to the most effective union strategies, but also to questions about the most desirable trade union strategies and objectives, and to the extent to which trade unions should pursue radical strategies or a more reformist programme.