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ABSTRACTS

Letter from the editor

This issue of *Workers of the World* comes out after an interruption of one year, for which we want to apologize most of all the organizers of its dossier and the authors who have contributed with articles. We hope it won't happen again, and the upcoming IV Conference of the International Association on Strikes and Social Conflicts to be held in São Paulo, Brazil, between 10 and 13 July 2018 will certainly make the necessary arrangements to guarantee its continuity.

Issue no. 9 of *Workers of the World* had as guest editors José Babiano, from Fundación 1º de Mayo, Spain, and Javier Tébar, from Universitat Autònoma de Barcelona – Fundació Cipriano García, who organized a dossier on “trade unionism in the era of globalisation” – whose contents are thoroughly explained in the Introduction. In this issue we also include an article by Jesper Hamark, from the University of Gothenburg, Sweden, which analyses the remarkable transition in the Swedish labour market in the first half of the last century: from wide-ranging militancy to quiescence.

Our next issue will include a dossier, coordinated by Marcelo Badaró Mattos, from Universidade Federal Fluminense, Rio de Janeiro, Brazil, and Rana Behal, from the University of Delhi, India, on “Capitalism, unfree labour and forms of resistance”. This dossier will accept contributions which analyse the various forms of labour exploitation marked by compulsion and/or “unfreedom”, from the sixteenth century to the present, as well as studies of corresponding modalities of resistance and revolt.

Workers of the World is the journal of the International Association Strikes and Social Conflicts.

Articles for *Workers of the World* should be sent to the executive editor at workersoftheworld2012@yahoo.co.uk.

António Simões do Paço
Executive Editor

Introduction: Trade unions in the era of globalisation

José Babiano¹ and Javier Tébar²

The crisis of Fordism, understood as a method of capitalist regulation, led to the emergence of a new paradigm in the late 1970s and early 1980s: globalised capitalism. It is not that globalisation is a new phenomenon in the history of capitalism, given that capitalist development tends to extend beyond the borders of the nation state. However, globalised capitalism occupies a specific period in historical terms. We shall observe some of its principal features.

A central characteristic of globalisation is deregulation; deregulation of the movements of goods and capital as well as the deregulation of labour. Deregulation is not a natural phenomenon, as if a storm had struck or night had fallen suddenly; it is the result of a specific type of intervention by governments and international bodies, one that is often alien to democracy. It leaves states without the capacity to act in many aspects of economic life. In this way, deregulation appears as re-regulation.

Moreover, globalised capitalism is characterised by the primacy of financial capital over manufacturing and services. This has generated a type of speculative capitalism, which is often described as “casino capitalism” and whose proliferation produced the international economic crisis of 2007. In addition to the hegemony of finance, North America and Europe underwent a process of deindustrialisation. Of course, this did not spell the end for

¹ Fundación 1º de Mayo.

² Fundació Cipriano García.

manufacturing but created new industrial locations in peripheral and semi-peripheral countries within the global capitalist system.

Overall, the story of globalised capitalism – this contemporary phase of capitalism – is also the story of privatisation. Initially, major state companies in strategic industries like gas, oil, iron and steel, metal or electricity were privatised. They were followed by services: health, education etc., which have been targeted by private business.

Less industry and an increasingly smaller public sector has inevitably affected the working class. First, in the field of employment, remembering that Fordist industry made great use of the workforce. The result is the end of full employment. Second, labour has been affected in terms of contracts and employment protection as both big industry and the public sector were strongly regulated in Fordist capitalism. Here, there has been a weakening of individual and collective employment rights. Thirdly, it has affected trade unions, given that the organisation of workers has been eroded as a result of these processes.

The deregulation of labour was presented as something flexible. From the ideological standpoint, this description is an attempt to show deregulation as a modern, positive phenomenon in the face of supposedly obsolete and inefficient rigidity. However, the legal modifications introduced in the name of flexibility have, primarily, not only reduced workers' employment rights but also restricted their bargaining power and eroded their social position.

Thus, changes in legislation in the core countries of the capitalist system have led to the rise of atypical forms of recruitment, as in the case of temporary and part-time employment. This has gone hand in hand with the limitation of rights such as access to subsequent unemployment benefits and pensions. Similarly, states have promoted the individualisation of industrial relations, rather than the regulatory power of collective bargaining. They have also replaced the employment relationship for the commercial one, promoting the mode of freelance and self-employed work. It would seem that there is a trend towards convergence with the working conditions of the new industrial enclaves, where deregulation, very low wages and feeble self-organisation of labour in the workplace also prevail.

Consequently, trade unions have been hit in Europe and North America by a loss of members, a decline in bargaining capacity and an erosion of social power. But beyond the effects of the changes in working processes and in the composition of the working class, trade unions have been affected by a direct assault from the neoliberal governments that have attempted to

minimise their activities through legislation and political campaigns. This has placed global trade unionism at a crossroads.

Moreover, the deep-rootedness of globalised capitalism has represented a global political victory, which was capped by the fall of the Berlin Wall and the end of the USSR. In political and cultural terms, this triumph of capitalism has been translated into the hegemony of neoliberalism. This cultural hegemony is so powerful that it has corroded the left itself, which has been in retreat, with the exception of Latin America up to now.

It is from this scenario that we have undertaken an analysis of trade unionism after having received an invitation from the editorial team of *Workers of the World* to prepare a monographic dossier on trade unions. We are historians by trade, but we regard the study of trade unions in the present context of globalisation as being of the utmost urgency. Unions now represent the last line of defence for workers in the face of capitalism's imperial victory. We acknowledge that this type of study is not easy in a context in which academic research has also been culturally contaminated by neoliberalism. The analysis of the world of work and workers' organisations has become a very minor concern. Moreover, we have witnessed the introduction of approaches of a post-materialist type and these are often in line with neoliberal hegemony.

We would like to thank *Workers of the World* for its invitation and extend our gratitude to the colleagues whose articles have made this issue of the journal possible. Of course, it can rightly be said that it is incomplete and even ethnocentric to the extent that it includes as many as three articles on EU countries. However, we feel satisfied that the final result – which is always within the framework of globalisation capitalism and the hegemony of neoliberalism – provides a variety of interesting cases. Moreover, the articles also respond to plural methodological approaches. Compare, for example, the narrative perspective employed by Trópia and Souza in their work on Brazil with the statistically-anchored argument on the Spanish case offered to us by Beneyto. Our desire for diversity is displayed by the fact that the dossier contains works on trade union experiences in Asia, Africa, Latin America and Europe.

Consequently, we present work on countries that occupy different positions in the European Union, like the United Kingdom, France and Spain. We also include examples of emerging countries such as China, India and Brazil. There are two cases from Latin America: Chile and Brazil itself. Similarly, we have paid attention to “Communist” countries whose markets have been penetrated by their own state and party apparatus, like Vietnam and China

once again. Finally, the dossier includes two classic examples of the informal economy: Nigeria and, again, India.

It is generally believed that trade unionism can only develop in the contexts of economic and social regulation. However, Martinez Veiga's text proposes two case studies on union action in the scenario of the informal economy. Initially, he elucidates the concept of the informal economy itself from a theoretical point of view, explaining that this is not a marginal sector of the capitalist economy. He then goes on to study two trade union experiences from India and Nigeria respectively. The former concerns a trade union organised by women who make cigarettes, while the latter looks at the actions of a typical guild in decline, that of tailors. What is interesting about the cases is that both these female and male workers direct their action at the government, rather than at their employers.

Meanwhile, Rocha and Boix analyse two singular cases in Vietnam and China. These are two countries inserted into the global market and globalisation but which have Communist regimes. Here, the state and the Communist Party have restored the market. In both countries, there are official trade unions, which are subordinate to the Party although it is true that in Vietnam the right to strike is recognised – despite its limitations – and there is a less repressive atmosphere there than in China. An industrial proletariat is growing in both countries as a result of the surge in manufacturing and stoppages and strikes have occurred at industrial plants. These phenomena place the official apparatus, especially in the case of the Chinese unions, in difficulties insofar as they cannot integrate them. A dilemma then appears. We do not know yet whether in the future the official unions – or significant tendencies within them – will be capable of escaping from the party's tutelage and genuinely represent the interests of workers. The other possibility is that mobilisation and organisation into workshops will give rise to the emergence from the grass roots of new autonomous types of trade unions that, one way or another, could break with the apparatus of the regime.

A very different case, that of a major emerging country, is Brazil. Analysed here by Souza and Tropia, who focus on the Brazilian trade union movement's stance in the face of neoliberal policies in which neoliberalism is regarded as a stage of capitalism –which, in essence, we have termed globalised capitalism. Examining a period that opens with Collor de Mello's government in 1990, the authors believe that *petista* governments have largely continued with neoliberal policies. Within this framework, they analyse the direction of the *Central Única dos Trabalhadores* (CUT-

Unified Workers' Central), which is closely linked to the PT (the Brazilian Worker's Party) and *Força Sindical* (Trade Union Force), which is openly pro-capitalist. Until the arrival of Lula's government, the CUT's stance was always anti-governmental, as opposed to *Força Sindical*. With the PT in government, the CUT lent its support. However, when the government began to take unpopular measures, the CUT's position was compromised and was decided through mobilisations.

Rodrigo Araya provides an interpretation of the evolution of the Chilean trade union movement during the current democratic period, which commenced in 1990 as the country embarked on its particular political transition. With his analysis focusing especially on the action of the *Central Unitaria de Trabajadores* (CUT- Unitary Workers' Central), Araya examines the dynamics that were established between the adoption of a framework of social dialogue and the debate produced by labour reforms over this period. He argues that the CUT's evolution went through an initial stage of collaboration with the government and then shifted with the adoption of a critical stance with regard to the neoliberal model. This path led to an internal crisis in the union as the problems of adaptation to the new context manifested themselves. However, in the 21st century, the trade union movement and other social actors were instrumental in the maintaining of protests with a view to making the democracy more inclusive. This helped the CUT to become a reference point in the opposition to neoliberalism, which in this case meant questioning the legacy of an incomplete transition.

The crisis of contemporary trade unionism in France is addressed by José-Angel Calderon. Membership rates of French unions are the lowest in the OECD, but it is also true that French trade unionism has never been characterised historically as a mass phenomenon and this has its own explanation. However, debate on this in France, both on the right and the left, has been reduced to "excessive" union institutionalisation and marked by the paradox in which the loss in numbers and low membership contrasts with a progressive implementation in companies and administrations. For this reason, Calderon raises the need to again take up the analysis of the institutionalisation of the wage relationship from the perspective of production models. This analysis leads him to argue that it is not so much the institutionalisation of French trade unionism that might explain its crisis as the deinstitutionalisation of the wage relationship in the context of the individualisation of industrial relations and the casualisation of the labour market.

Miguel Martínez Lucio looks at the British case. The country is undoubtedly the mould for the neoliberal policies introduced since the 1980s – and subsequently adopted by other states – whose consequences in a new state regulation of the individualisation of collective rights directly affected the heart of the British trade union movement. The author proposes a multilevel analysis of its causes and consequences. He also raises the need for new approaches to social protest, which take into account both the expression of new forms of conflict and the building of alliances by the trade unions. The difficult context of trade union policy in the UK is marked, in his view, by the problems of an unbalanced trade union “revitalisation” and a lack of social support. The analysis of these two aspects leads him to conclude that isolation is now the major challenge that British trade unionism has to overcome.

We conclude the dossier with an article on Spain by Beneyto. The country’s trade union model is distinct from the British one within the EU as a whole. Furthermore, it is a southern country. This means that workers have endured a harsh austerity programme since 2010. This has produced an exponential growth in unemployment, cuts in essential public services like health and education, a lowering of wages and, last but not least, a harassment of the unions by the political, economic and media powers unprecedented since the post-Franco political transition. Beneyto’s study enables us through a series of indicators to observe how Spanish trade unions have responded to this set of difficulties.

We believe, in the final analysis, that this dossier on trade unions in the era of globalisation offers a varied set of cases in different regions of the planet. It provides us with an approach to the direction that the union movement has taken during this most recent stage of capitalism.

Informal economy, labour and trade union experiences in India and Nigeria

Ubaldo Martinez Veiga

The clear notion and the designation of the term “informal economy” first appeared in a 1973 article by the already famous Keith Hart.¹ As a result, everyone thinks that Hart was the social scientist/anthropologist who discovered the phenomenon. He was referring to what was designated as the general and informal activities to obtain resources. The distinction between one type of work and the other is that “informal” is self-employment or freelance work while formal work is paid work. The fundamental variable that serves to distinguish between formal and informal work depends on the degree of work rationalization. If there is recruitment on a regular basis, and this is more or less permanent, with fixed remuneration, this would be a job that is located in the formal economic sector. The rest would be confined to the informal one, characterised by self-employment without permanence, either in the traditional urban sector or belonging to the reserve of the under-employed or unemployed.

Hart proposed a basic question: does the reserve army of the unemployed constitute a passive and exploited majority, or, on the contrary, are informal activities able to generate growth in the resources of the urban or rural poor.

In the first place, one should stress that Hart was obliquely proposing the idea of the informal sector based on observations of Marx regarding the reserve army of workers, as set out with great clarity and depth, in the first

¹ HART, K. “Informal Income Employment Opportunities and Urban Employment in Ghana”. *The Journal of Modern African Studies*. Vol.11, n.1, 1973, pp. 61-89.

volume of *Capital*. Here it is important to underline what the Jamaican Nobel Prize winner Arthur Lewis said in 1954.² He published a famous article, in which he observed that neoclassical economics was based on the premise of a fixed job offer. In contrast to this, and on the basis of observations about the so-called Third World, Lewis raised the question of the “infinite elasticity of work.” The source of this elasticity can easily be seen under the guise of unemployment among small farmers in a dozen overpopulated countries. Other elements would be on one hand, unemployment originating from the implementation of technology. According to Marx, this was enough to create an increasing work surplus and, on the other hand, underemployment in urban areas was what began to be called the informal sector. This term in general context must consider women leaving the household to join the labour market, and the population growth rate, which becomes a dominant factor. In this way, with a growth rate of 3% per annum, the labour supply becomes very elastic.

Lewis proposed a model of economic growth based on two sectors: a so-called traditional sector and a modern one. In Lewis’ terminology, that means a subsistence sector and a capitalist one. In the subsistence sector, a labour surplus is located with zero productivity or even a negative one, and is made up of agriculture as well as small trade, domestic work and the entire set of casual jobs, such as manufacturing furniture, bringing young people to throw themselves at people to carry their luggage or purchases, etc. In contrast to this sector, there was the modern capitalist one, where workers would be employed to the point at which their marginal product would be equal to their salary. As can be seen, the distinction between the formal and informal sectors of the economy was already present and explained by Lewis in 1954.³

Without delving too much into terminological debates, we can say that the distinction between Hart’s formal and informal sector is based on the analysis of the type of work that occurs in each. On the other hand, the authors using the ILO approaches insist, at the beginning, on the characteristics of the companies. In this context, the viewpoints of

² LEWIS, A. “Economic Development with Unlimited Supplies of Labour”, *The Manchester School*. Vol. 22, n.2, May 1954, pp. 139-191.

³ Ibid.

Mazumdar were published,⁴ although they do not follow either of these tendencies. According to this author:

the basic distinction between the two sectors is that in the formal sector, work is somehow protected, in such a way that the level of wages and working conditions are not open to job seekers unless they are able to cross a certain barrier to entry. This type of protection can stem from the actions of trade unions, governments or both acting together.⁵

Mazumdar starts here from an idea which seemed more evident at the time than it is now. This was when entry into informal labour was thought to be practically free, whereas formal work presented some barriers that had to be overcome. Today it is thought that the free entrance to informal work is a chimera. However, it is important to note that formal employment is regulated and protected by the state, while informal work is not. Mazumdar said something about this here that in the 1990s would become the canonical notion of the informal sector. Feige says that the informal sector includes “all actions of economic agents that do not follow the established institutional laws whose protection is denied.”⁶

In 1989, Castells and Portes had already offered a definition of the informal sector of the economy as “all the activities that generate resources and are not regulated by the state in social environments where similar activities are regulated.”⁷ These two definitions say something quite similar to what Mazumdar raised well before, and, anyway, seem to be a good starting point for the study of the informal sector that will be proposed in this paper. However, my analysis will not stop solely at defining the object of study. In this way, other aspects of theoretical analysis that respond to current approaches will be analysed in order to question some of the ideas that have become a kind of dogma.

⁴ MAZUMDAR, D. *The Urban Informal Sector*, World Bank Staff. Working Paper 211, Washington DC, 1975; MAZUMDAR, D. *The Urban Labour Market and Income Distribution. A Study of Malaysia*. Oxford: Oxford University Press, 1981.

⁵ MAZUMDAR, D. *The Urban Informal Sector*. Op.Cit., p.1.

⁶ FEIGE, E. “Defining and Estimating Underground and Informal Economics: The New Institutional Approach”. *World Development*. Vol.18, n.13, 1990, pp. 989-1002.

⁷ CASTELLS M. & PORTES, A. “World Underneath: The Origins, Dynamics and Effects of the Informal Economy”. In: CASTELLS M.; PORTES, A & BENTON, L. (eds.) *The Informal Economy. Studies in Advanced and Less Developed Countries*. Baltimore: John Hopkins University Press, 1989.

As is well known, the idea of the informal sector raised by Hart was based on the analysis of some African phenomena. All this had a rationale because, instead of diminishing or disappearing before the liberalization processes, in later years, informal economic activity had actually increased in the developing world, especially in Africa. In accordance with the International Labour Organisation (ILO), Sub-Saharan Africa is the “most informalised region” of the world, with 75% of the non-agricultural workforce working in informal jobs. This informality rose to 90% in certain parts of West Africa, the area which Hart studied.⁸

Neoliberal policies aimed to remove the incentives for the informal sector. In spite of this, informality has become an essential aspect of the life systems of the people, obtaining urban services and developing associative life through it. Analysis of what is happening in some parts of Africa is not an attempt to assert that informal economic activity does not take place in the countries of the so-called developed world. Both Lenin in *Imperialism, The Highest Stage of Capitalism*,⁹ and Rosa Luxemburg in *The Accumulation of Capital*¹⁰ showed that as the class struggle managed to increase wages, Europeans in the early twentieth century forced the capitalists and European workers to supply the raw materials obtained by a cheap, flexible and informal workforce of workers in the so-called Third World. They also obtained manufactured goods and services. The imperialist power structures ensured that informal workers accounted for the costs of the informal economy of manufacturing, production and reproduction of work, while not receiving the benefits of minimum wages, and working at home to eliminate wage increases. Informal work served capital, both in central and peripheral countries, to offer an alternative to halt the expansion of the formal working class that was much more expensive.

In recent years, the problems created by the financial crisis and the disillusionment with the agenda of good governance, have brought with

⁸ ILO. *Women and Men in the Informal Economy: A Statistical Picture*. Geneva, 2002.

⁹ LENIN, V.I. *Imperialism, the Highest Stage of Capitalism*. In V.I. Lenin, *Selected Works*. Moscow: Progress Publishers, 1963, Vol. 1, pp. 667-766.

¹⁰ LUXEMBURG, R. *The Accumulation of Capital*. London: Routledge and Kegan Paul, 1951.

them a rethinking of the informal economy in development processes. There is a tendency to forget that the informal economy has to disappear and an attempt to raise the problem of the possible cooperative interaction between the formal and informal economy; instead of the problem of the elimination or absorption of the second by the first there appears to be a shift towards an interactive collaboration between the two: a hybrid governance, or informal/formal interaction. There is a trend among governments and development agencies to show the energy of the informal economy, its institutions and its system of service provision.

Relations between formal and informal work

The essential question posed by Hart is the possibility that the reserve army of the unemployed and those who work in the informal economy are no more than an amorphous mass that is passive and exploited, or if, on the contrary, these informal activities have the potential to generate resources and growth in the income of the poor or in the economy in general. Another related problem relates to whether informal activities offer independent potential for economic growth and development, independently of what happens to a certain extent in the formal sector.

As you can see, there are three different problems. First, the question is whether informal workers are a passive or amorphous mass. That is to say, an entity without organization, the only chance left is to be exploited to the end or whether, on the contrary, it is a social class. The most basic character of social class is that it is an entity that is not quite chaotic and has an internal organization. The second issue concerns the relationship between formal and informal work or the formal and informal economy. You can ask if the only destination of the informal economy is to become part of or be replaced by the formal economy. Finally, the problem that arises is if one considers informal work to be somewhat dysfunctional or backward, or if, on the contrary, this is an organization that works and is in the direction of the evolution of societies, especially African ones.

The first problem has an erroneous answer, insofar as one can say that it may be possible that informal workers are an amorphous mass. This is frequently affirmed without detailed analysis: when using the term disorganized work, or work in the informal, unorganized sector is contradictory. First, one cannot agree with this idea because all work, which is not pure and strictly individual, is organized, and, often, when speaking of disorganized work, this is because no analysis has been conducted.

During the 1960s and 1970s, it was thought that given the magmatic character of work and the informal economy it was impossible to consider

that informal work was unionized. At present, however, there are an increasing number of cases of informal workers who belong to their own unions. In fact, this is present in both cases we studied. Perhaps one may say that the unions appeared due to the influx of informal workers from the formal sector. However, as seen by the characteristics of the informal workers' unions, these differ from the formal ones and the former do not allow themselves to be subjugated by the latter, trying to defend their autonomy.

Some authors nowadays refer to Africa in particular when they affirm that informal work is so extensive and the area of formal work is so small that it makes no sense to talk of the informal sector. This is the position of Kate Meagher who claims that the informal economy has become so extensive that it has produced the collapse of the "informality paradigm."¹¹ A similar affirmation is made by Keith Hart who claims that "when most of the economy is informal, the usefulness of the category becomes questionable."¹² Although the realm of formal work may be more reduced than the informal one, this does not mean that informal work is irrelevant. From this point of view, it is very interesting to emphasize that when discussing the informal work of women in India, (the second case), the workers insist that their activities are their job and really represent work. James Ferguson puts it gracefully stating that in South Africa "I will suggest that the picture that emerges from ethnographic research in Southern Africa suggests that the more fundamental characteristic of the ragtag livelihoods that support more and more of the region's population is that they are almost unbelievably precarious and insecure and that those who navigate them manage to avoid the worst only through a continual process of flexible improvisation."¹³

A case analysis from India: Cigarette manufacturers at home and the union struggle

¹¹ MEAGHER, K. *Identity Economics, Social Networks and the Informal Economy in Nigeria*. London: James Curry, 2010.

¹² HART, K. "Bureaucratic Form and the Informal Economy: Concepts and Policies," In: Basudeb Guha-Khasnobis, Ravi Khanbur and Elinor Ostrom. *Linking the Informal and Formal Sectors: Concepts and Policies*. Oxford: Oxford University Press, 2007.

¹³ FERGUSON, J. *Give a Man a Fish*. Durham: Duke University Press, 2015, p.93.

To understand the organization of informal labour, an example from India may be proposed. In this case, they are women workers who work in the informal sector of the economy. It is estimated that less than 8% of the total labour force in India belongs to the formal sector. Therefore, more than 92%, (350 million people of 400 million), work in the informal sector. This is due to the fact that labour legislation is not enforced, but also mainly because the laws are inappropriate.¹⁴

One of the fundamental problems that makes it very difficult to organize women workers in the informal sector is that the law that prevents the dismissal of workers belonging to trade unions has no applicability to those who work in the informal sector. Another negative factor is the extreme discrimination against women and girls that, as is well known, begins before birth. The problems are even more complicated for homeworkers, mostly women. This status of workers was not even recognized, until very recently in Spain. Hensman carried out an analysis of the production of *bidis*, (a type of cigarette rolled in India which are cut and packaged in homes by women).¹⁵ The production of cigarettes was carried out in factories until 1970. Then they were closed and began to be produced in homes. In 1967, a law was introduced that applied the employer-employee relationship to the producers of bidis. In Hyderabad, capital for a few years of the state of Andhra Pradesh and Telangana, a trade union of bidis producers composed exclusively of women was established. The first struggle was to be recognized as workers. When researchers began to analyse the situation of women workers in the city, it was discovered that government statistics recognized only a hundred women working. When the government was forced to release accurate statistics, it was discovered that the number of women workers was 10,000. The union was organized in 1987 and by 1994 the number of women who belonged to the union was 5,000.

It must be emphasized that the goal of recognition as workers was central. This may seem irrelevant, but in interviews with the women it appeared to be one of the most important goals to achieve: the recognition of the category as workers. This recognition was listed with the request to obtain a document, where it recognized that the women in question were endorsed as a category of worker. This was an important element in the establishment of the identity of the worker as an integral part of a social class. As stated very

¹⁴ HENSMAN, R. "Organising against the Odds: Women in India's Informal Sector". In: PANITCH, LEO et al (eds.) Working Classes Global Realities, *Socialist Register*. Vol. 37, 2001, pp.249-257.

¹⁵ Ibid.

well by Rina Agarwala: “This identity emphasizes that these workers in the informal sector see themselves as belonging to this class as an aid to legitimize themselves as valid citizens, not as an antithesis to capital.”¹⁶ It must be borne in mind that the requirement of providing a carnet (workers’ identity booklet) was proposed to the employers that, according to the law, they were obliged to provide. However, very few employers complied with this obligation.¹⁷ It is interesting to emphasize that women workers began a protracted struggle against the government to achieve this proof of employment. Before this request sustained by the fight, the government gave them, in the first place, a “carnet of social services,” (Welfare booklet), and subsequently an identity carnet as a worker. The carnet of social services gave them the right to maternity benefits and help with school for their children. There were also problems of a domestic nature. Many of the husbands beat the women, and at other times they had a lot of opposition from the family itself to be able to join the trade union. While sometimes women deviated from their union activities, other women often appeared who with the help of the same trade union lobbied the husbands to enable them to take an active part in the union. These data indicate that workers in the informal sector, far from being unorganized, a species of magma, were very well organized in trade unions or at other times in Non-Governmental Organizations.

This was a working-class organization of an informal nature. This class organization implied recognition of the status of workers that was manifested in an identification card with the workers’ data. It is important to underline that this booklet was acquired by the workers, not with the help of the employers or as the result of a confrontation with them, but by means of a confrontation or petition to the state that in the end was the one that awarded it. In the final analysis, the carnet became very important in the creation of a class identity. This demonstrates something very important that has been underlined by many authors.¹⁸ In India, the formal workers considered employers responsible for the welfare of the workers and in this

¹⁶ AGARWALA, R. *Informal Labour, Formal Politics and Dignified Discontent in India*. Cambridge: Cambridge University Press, 2013.

¹⁷ HENSMAN, R. “Organising against the Odds...”. *Op.Cit.*, p. 251.

¹⁸ AGARWALA, R. *Informal Labour, Formal Politics and Dignified Discontent in India*. *Op.Cit.*

case the labour rights flowed, as in all the other capitalist countries, from a requirement or confrontation between the employees and employers, which is what gave a class character to the formal workers.

The problem is that the informal workers did not have a stable employer, and, often, the subcontracting processes were so complex that it was not known who the employer really was. In addition, the lack of a stable employer often meant that they were also not provided with safety in the workplace nor allowed the right to strike. For this reason, the informal workers tended to defend the responsibility for their well-being at the state level. Hence, the informal workers changed their demands or requirements from the rights of the workers like minimum wages, safety in the workplace and the disappearance of contract work. These demands or requirements that some authors designate with the term of “economicist” problems,¹⁹ are those which are generally carried out by formal workers. Although workers in the informal sector were also fighting for these rights, they often dispensed with them because of their particular situation. It seemed impossible to fight for the rights of workers in the workplace where this does not exist or for the disappearance of contract work when there is no other. This entailed that workers in the informal sector raised their fight against the state, (which is also a class struggle), to improve the household well-being. This improvement meant access to education, health, social security, aid for housing, etc. These claims or demands were carried out by the state authorities, leaving employers aside and in this way avoiding the influence of liberal, or rather, neo-liberal reforms.

It is very important to understand the relevance of what occurred in this case. There were three very important changes in the configuration and performance of these informal workers as a class. First, they raised their demands at the state level rather than with their employers. Second, they changed the goals they were trying to achieve with the demands towards the objectives of welfare rather than strictly labour rights. The third has to do with the methods used to change their situation, namely traditional strikes or protests, but the use of their power as voters demanded responsibility and state obligations with respect to social consumption and reproduction not only of informal workers but ultimately of society as a whole. Informal workers defined their worker identity as a class, not as an antithesis to capital, but as a means of becoming a citizen with basic rights. Somehow, you could say that the struggles for basic human rights are also the rights of

¹⁹ KOHTARI, R. *Politics and the People: In the Search of a Human India*. New York: New Horizon Press, 1989, chap. 2.

workers. This goes against the viewpoint that informal work is a whole magmatic and confusing area, because workers in this sector were not politically organized and did not work in the capitalist economy. Yet informal workers' organizations, (trade unions), gained an identity that constituted informal work as a distinct class. It is a class that does not possess the means of production. The workers acted at the margins of state jurisdiction and created an identity that connected them with the state through their needs of consumption or, in other words, through their expenses of reproduction.

An African case analysis: the tailors' trade unions of Nigeria

From the African case to be analysed, I aim to shed light on the second question previously proposed: whether the relationship between formal and informal labour consists in that informal work is subsumed in the formal economy, or whether, on the contrary, it remains within a certain and relative union of the two sectors, being present as an autonomous, although obviously also relative, informal type of work.

The example we are going to bring up refers to a fundamental activity in Nigeria. This is of tailoring which has great importance in quantitative and qualitative terms. Nigeria was formerly a significant exporter of cocoa, palm oil and other agricultural products. The massive production of oil has replaced agriculture. The centralization of the control of this product has generated a thriving middle class. Perhaps because of the influence of what is called the "resource curse" of oil, the manufacturing sector, which was large and important, collapsed. Between the various sectors, textiles were of very great importance. More than 60,000 unionized workers were employed in the mid-twentieth century with large factories in cities in the north and in the coastal town of Lagos. However, these numbers have now decreased by two-thirds. The collapse has been the result of the liberalization of the foreign market favoured by the World Bank and the IMF. This favoured the massive importation of textiles from China and India. However, spinning, weaving and stamping have given rise to major companies in Nigeria. Tailors are also very important because they provide the vast majority of all kinds of dresses that are sold in the country.

They are not retailers, but the tailors who produced and sold dresses did so in such a way that almost the only competition they had was the sale of imported used clothing wholesale from Europe, where it is often obtained as

if for charity when it is something to be sold. Tailors in Nigeria work as self-employed producers who carry their products to final markets. They may have one or more apprentices and almost never have paid employees. They rarely operate as cooperatives. In Lagos and elsewhere in Nigeria, the tailors were organized into associations. This was taking place in markets where a system of guilds functioned, dating back to pre-colonial times. Tailors created their professional associations which were inserted into guilds, many of which are older ones. These associations are very important for maintaining their professional “standards” and of regulating the skills that the apprentices have to acquire. These guilds and associations became trade unions, without ceasing to be guilds and associations. It is a Union, the Union of Nigerian Tailors or NUT, to which another must be added, which appeared in 2010, the Federation of Informal Workers of Nigeria or FIWON. They are unions of informal workers. Another two unions must be added to these, which “in principle” are made up of formal workers: the Nigeria Labour Congress (NLC) and the Trade Union Congress (TUC).

Taking this into account, it is possible to understand the week-long strike which involved a huge mobilization of workers in the informal economy in protest against the rise in oil prices. The tailors played a central role in the mobilizations. Although Nigeria is one of the largest oil producers in the world, there were no refineries in the country at that time. This brought oil imports to represent big business for a set of Nigerian companies.²⁰ All this took place despite the fact that the price of oil was regulated in such a way that it was cheaper than in the world market. This difference in the price had been of great concern to some international agencies present in Nigeria, such as the World Bank and the International Monetary Fund. They claimed that the local price of oil had to be adjusted to world market prices to avoid any type of distortion in the use of local resources. This was called the liberalization of the oil trade.

In 2011, a rise in oil prices on the world market took place, bringing with it what groups within the country were calling for: the deletion of the “subsidy.” However, most of the people in Nigeria strongly defended the stipulated oil prices. Indeed, it was considered the only help from the federal government for the people. In addition, among other things, social services had deteriorated considerably after independence. On the other hand, the harmonization of oil prices with respect to the world market would bring the “huge benefit” of liberalization. In our case, the tailors were at odds because

²⁰ ANDRAE, G. & BECKMAN, B. “Lagos Tailors, Trade Unions and Organisations in the Informal Economy.” *African Studies Review*. Vol. 56, n.3, 2013, pp.191-208.

harmonization was not really a creation of harmony but the vulgar and simple increase of the oil prices that would lead in turn to an increase of the production costs of the tailors' work and an even greater increase in "energy poverty in the homes." We cannot forget that small tailors' workshops are sometimes their homes. The tailors who worked in the informal economy had a few clear reasons for the strike. It was an increase in the costs of transportation, the cost of survival due to the increase in the price of electricity, and the production costs in that sewing machines and electricity for the workshops would increase in price.

The popular protest and the general strike that lasted for a week in January 2010 represented an unprecedented mobilization of informal workers. This was enabled by the two unions of workers, NUT and FIWON, that had relationships with two of the major trade unions of formal workers, the NLC and TUC, who led the demonstrations.

The participation of the tailors of Lagos together with their own trade unions and most of the general ones was a demonstration that the politics of limited and local performance had overcome and acquired a national dimension. The alliance between two trade unions of informal workpeople and the formal trade unions, was used by two formal trade unions at national level to try to formalize the relations with the organizations of the informal economy with the intention of formalizing informal work, and in this way, exercising its' control. In fact, the two national trade unions imposed an end to the strike after one week. In spite of all this, the informal trade unions always maintained their independence; they never admitted to a situation of subordination. For this, they maintained a "friendly distance" with regard to the trade unions of formal workers. This way, they defended the autonomy with regard to these and cultivated intense relations with the state of the city of Lagos. Two trade unions of informal workpeople, but especially one of them, FIWON, the most recent, tried to continue with a different agenda from the one that the trade unions of formal workpeople maintained. The trade unions of informal workers did not direct its efforts to the creation and implementation of collective bargaining with the employers, but to obtain public assistance on the part of the state as well as other elements of social protection such as old age pensions, insurance, etc. It is possible to observe an enormous resemblance in the requirements of these trade unions of informal workpeople and those of the women in India described above.

However, with this case description, the problems of the relationships between formal and informal work have not been analysed. Normally it is thought that informal economic systems are often backward and dysfunctional, and therefore, what we have to achieve is the formalization of the informal economy. Consideration of a more recent viewpoint is in accordance with our claims. Instead of formalizing the informal economy or making it disappear, further eliminating its' incentives, as advocated by the neoliberal authors, there is a need to establish an approach according to which the interactive collaboration between the formal and informal economy is manifested in the idea of "Hybrid Governance". That is, co-production and the interrelationship between the formal and informal sectors must be advocated. The term used is to "normalize" not "formalize" – normalizing the informal sector, raises the question as to how this "normalization" of the informal economy affects the rights of citizenship. As has already been observed in the functioning of trade unions of informal workers, what these institutions demand are the basic human rights that are considered as workers' rights and which are derived from the interaction and struggle with the state authorities. The pure inclusion of the informal economy into the formal one, or the formalization of this without taking into account the strengths and weaknesses of the informal economic institutions, is nonsense, as Andrae and Beckman emphasize very clearly in the case of the Nigerian tailors.²¹ The integration of informal unions into formal ones first gave them a national dimension that they had not had before. This allowed them to confront the state and demand social protection and other rights for workers in the informal economy.

The result of the action of informal workers in the national protest in 2010, together with the trade unions of the formal workers, constituted a milestone in political and economic integration, which expanded their voice and horizons of action beyond considerations of a limited nature.

However, it is necessary to raise a central problem that gives the case interest and originality. At the time that this integration between informal workers and formal ones was occurring, when integration and inclusion were being questioned, the informal unions tried to put forward conditions to defend their autonomy and relative independence. A very important phenomenon thus has to be considered. This is because the subordination and destruction of the particularities of the informal economy was thought to be something negative for the poorest and most vulnerable groups, (informal workers). In the context of African societies, studies frequently

²¹ Ibid.

refer to an “inclusive consideration” in the informal economy that can give the impression of a consensual process and without any controversy that obscures the role of struggles, whether pro or contra, the inclusion of, and the divisions and alliances that are created.

Summed up briefly, it is a question of the maintenance of autonomy and the rejection of inclusion as an absolute good and of exclusion as evil. There are Africanists nowadays who have introduced a term of enormous analytical importance.²² It is a question of the idea of “adverse” or “harmful” incorporation. In the case which we are referring to, the problem needs to be raised in the following way. It is a question of knowing if the relations between formal and informal create genuine processes of inclusion or processes of an exploitative nature of “harmful incorporation”. Changing the informal/formal dichotomy to another one with which it is initially identified, poverty /not poverty, one must forget the narratives of pure exclusion and consider that poverty also persists because the people join economic and social life in a disadvantageous way. It is necessary to insist on the terms or conditions of inclusion more than the pure and simple inclusion that neoliberalism supports. To solve this serious problem, it is possible to give a condition that appeared in the relationship between the tailors who were employed in the informal economy and their informal organizations on the one hand, and the formal organizations with which they entered into relationship, on the other. It is a question of the preservation of the autonomy of the former before the latter which empowered the tailors of Nigeria to fight for their rights with the state. The problem raised here is therefore central.

²² HICKEY, S. & AYEE, J. “Adverse Incorporation, Social Inclusion and Chronic Poverty”. Manchester University. Chronic Poverty Research Centre. Working Paper 81, 2007; DU TOIT, A. & NEVES, D. “In Search of South Africa's Second Economy: Chronic Poverty, Economic Marginalisation and Adverse Incorporation in Mt.Frere and Khayelitsha.” Manchester University. Chronic Poverty Research Centre. Working Paper 102, 2007.

China and Vietnam: the transition from “official” to “real” unionism

Isidor Boix and Fernando Rocha

Interest in the evolution of organized labour in China and Vietnam can be explained by the geographic, demographic, economic and political dimensions of one of them — China — and also by the peculiar history of both countries in their current evolution from a system of centrally planned economy towards their integration in a global market economy. This evolution, in which trade unions could play an important role, is contradictory, *inter alia*, because of the formal permanence at least of the political structures created from the revolutionary processes that developed their current states, which is causing increasing labour and social unrest in both countries.¹

China has been considered in the last decade as the “world factory”, but it also has become an important “world market”. For its part, Vietnam is playing an increasing role in the global industrial structure as a pole of attraction in Southeast Asia based on the still low labour costs in the country, although the country is currently facing accelerated production growth and

¹ As an example: the wave of strikes that occurred in 2010 in China in different factories of transnational corporations or, more tragically, the suicides of workers caused by the harsh working conditions in factories like Foxconn. See TRAUB-MERZ, R. “Wage Strikes and Trade Unions in China – End of the Low-wage Policy?”. Friedrich Ebert Stiftung. Berlín, June 2011; ZHANG, X.; WANG, X., and ZHU, X.: “The economic analysis of current strikes in China”, *World Review of Political Economy*. Vol. 2, n.3, Fall 2011, pp. 371-384; SCHWEISSHELM, E. *Trade Unions in Transition. Changing industrial relations in Vietnam*. Friedrich Ebert Stiftung, Vietnam Office. September 2014; ANNER, M. “Labor Control Regimes and Worker Resistance in Global Supply Chains”. *Labor History*. Vol.56, n.3, 2015, pp 292-307.

the increasing quality of production along with a remarkable political stability.

A conceptual reference for the present paper is the notion of “real” unionism as the “social organization” to be given in every moment of the working class, thereby understanding organized labour as an “association of interests” of the employees. The particular relationship of workers with the means of production and their owners or managers generates common interests and the need for their joint defence, leading to define the union as “organization of solidarity” or “organized solidarity”. Against this background, this paper is aimed at critically addressing the process of transition currently faced by the labour movement in China and Vietnam. This is a process that is occurring in an increasingly connected world, and whose development seems to be irreversible.

The analysis carried out relies on two main sources of information. First, the direct experience of one of the authors through his visits to different factories of the garment industry in China and Vietnam, proportioning a valuable empirical knowledge of the working conditions and the relation of the workers with their unionism, the “official” and the “real”.² Second, the findings of a research project that addressed the the conditions of life and work and industrial relations in some of the more important industrial parks in Vietnam.³ This information is complemented with data and documents obtained from the official political and union sources, with news published in both countries, and also with some bibliographical references.

The content of the article is structured as follows: first, the role of the “party” as a hegemonic political and social subject at the official level in both countries is addressed. Second, the paper analyses the role of trade union organizations in a context of increasing openness of the economy to global

² These factories are integrated in the value chain of the Spanish companies INDITEX and MANGO. Isidor Boix visited these factories as member of the international department of the Spanish trade union “Comisiones Obreras” CCOO. Specifically, he made eight trips to China and four to Vietnam. The last reports of these visits can be found (in Spanish) in: http://www.industria.ccoo.es/comunes/recursos/99927/doc245349_China_-_2015_Una_nueva_aproximacion_sindical_-_VII_.pdf and: http://www.industria.ccoo.es/comunes/recursos/99927/doc248343_Vietnam_2015.pdf.

³ The project *Strengthening Workers’ Rights and Representation (SWORR)* was funded by the European Commission and was carried out between 2012 and 2015 by a partnership including different trade unions and academic institutions from Vietnam and Europe. Fernando Rocha, the other author of this article, was involved in some phases of this project. The basic information can be found at <http://sworr.ies.gov.vn/>.

investments and markets. Third, the legal regulation and development of collective bargaining is analysed. Fourth, we undertake an overview of the evolution of living conditions, followed in the next section with an analysis of strikes in both countries. The article concludes with some final thoughts for future debate.

1. The Party as the only official political and social subject in societies with developing market economies

The affirmation that China and Vietnam can be considered as “market” societies is highly controversial. The argument, however, that the “market” dimension is increasingly relevant may certainly be posed, at least on the economic level, in both countries.⁴ Nevertheless, in spite of the increasing insertion of both countries in the global market economy there is a particular condition of their national legal frameworks that affects market performance, and more specifically, relations between different social and political groups. For example, the existence and social function of the “single party” and also, in general terms, the “single-trade union”, are marked characteristics of these countries.

In both countries, the Communist Party is, following the pure Stalinist tradition, the real unifying power of society in all areas of organization, both administrative and social, guaranteeing their cohesion (political, cultural, administrative...). It also affects social relations and generates nuances in the market economy itself, especially in its translation into social organization, in form and content as well as in the synthesis of existing social contradictions. Their constitutions and union laws establish the primacy of the Party over social organizations (in China even over the legal system itself). Particularly regarding trade unionism, the single union must also necessarily follow the guidelines of the Party. Moreover, union leaders are integrated today in the leading bodies of the Party yet are always less relevant in these organs than in the union structure itself, which means the theoretical subordination of the Union to the Party.

Having said that, it is worth noting that this is a phenomenon with its own life, over which specific social and political realities no doubt have impact, as well as the changing world in an increasingly global economy. We have

⁴ However, there are still some points of controversy. For example, there is an ongoing dispute about the recognition for China of “market economy status” under the World Trade Organisation. See PUCCIO, Laura. *Granting Market Economy to China. An analysis of WTO law and of selected WTO members' policy*. European Parliamentary Research Service. November 2015.

perceived symptoms in this regard throughout our own relationship with both countries, and particularly with their trade union environments.⁵ So, a necessary starting point of our analysis is a brief overview of the legal rules that highly affect the core of trade union activity in both countries, namely the freedom of union association and the right to strike.

The *Trade Union Law of the People's Republic of China*⁶ establishes in the General Provisions that the All-China Federation of Trade Unions (AFCTU) and all the trade union organizations represent the interests of the workers, and also that they “shall observe and safeguard the Constitution, take it as the fundamental criterion for their activities, take economic development as the central task, uphold the socialist road, the people’s democratic dictatorship, leadership by the Communist Party of China, and Marxist-Leninism, Mao Zedong Thought and Deng Xiaoping Theory” (article 4).

The law also establishes that “the All-China Federation of Trade Unions shall be established as the unified national organization” (article 10). And it establishes a clear hierarchy in the union structure and its limitations, noting that “the establishment of basic-level trade union organizations, local trade union federations, and national or local industrial trade union organizations shall be submitted to the trade union organization at the next higher level for approval” (article 13).

It is worth highlighting that the right to strike is recognized neither by the Constitution nor by the Union law, after it was removed from the Constitution in 1982 under the argument that the Chinese political system had “eradicated problems between the proletariat and enterprise owners”. After the removal of the right to strike, article 27 of the Union Law establishes an alternative figure (quite shameful), the “work-stoppage”: “in case of work-stoppage or slow-down strike in an enterprise or institution, the trade union shall, on behalf of the workers and staff members, hold consultation with the enterprise or institution or the parties concerned, present the opinions and demands of the workers and staff members, and put forth proposals for solutions. With respect to the reasonable demands made by the workers and staff members, the enterprise or institution shall try to satisfy them”.

⁵ See BOIX, op.cit.

⁶ This law was first adopted in 1950, then reworked in 1991 and later modified in 2001.

The *Constitution Of the Socialist Republic Of Vietnam*⁷ establishes that “the Communist Party of Vietnam, the vanguard of the Vietnamese working class, simultaneously the vanguard of the toiling people and of the Vietnamese nation, the faithful representative of the interests of the working class, the toiling people, and the whole nation, acting upon the Marxist-Leninist doctrine and Ho Chi Minh’s thought, is the leading force of the State and society” (article 4).

Without opposing the primary position of the Party in society, the *Labour Code of Vietnam*⁸ establishes that workers shall have among others the right to strike (article 5.f). This law also includes a specific and complex regulation of strikes and strike resolution that, if followed, would seriously limit the application of this right. Thus, it establishes that the strike “shall only be carried out in regard to interest-based collective labour disputes” (article 209.2), but not because of a dispute on the interpretation of a compliment of the law.

It also establishes a set of cases where strikes are illegal (article 215), for example, if: (1) the strike does not arise from an interest-based collective labour dispute; (2) the strike is organized for employees who are not working for the same employer; (3) the strike occurs whilst the collective labour dispute is being resolved or has not been resolved by the competent agencies, organizations or individuals in accordance with this Code; (4) the strike occurs in an enterprise in the list of enterprises provided by the Government in which strikes are prohibited; and (5) the strike occurs when the decision to postpone or cancel the strike has been issued.

There are also some relevant provisions concerning the procedures for going on strike. For example, strikes must be organized and led by the Executive Committee of the grassroots level trade union, or by the upper-level trade union upon the request of the employees in undertakings where the grassroots level trade union has not been established (Article 210). Also, it stipulates that “employees who take part in the strike shall not be paid with wages or other benefits as stipulated by law, unless agreed otherwise by both parties” (Article 218.2). Finally, it can be noted that “strikes are prohibited in undertakings which are essential for the national economy and in which strikes may threaten national security, defence, public health and public order. The list of such undertakings shall be provided by the Government” (Article 220.1).

⁷ Amended in 2013.

⁸ Amended in 2012.

Despite such limitations, it should however be stressed that the legal recognition of the right to strike in Vietnam and union intervention in its development, means that the union is considered as an expression of the interest of one side of the labour relations dispute, that of the workers. Yet these rules in Vietnam are applied in very few cases and the vast majority of strikes in the country, as happens in China with the “work stoppages” are “illegal” or, at best, “non-legal”.

The formal conception of unions in both countries also contains ideas such as “it is a function of unions to educate workers”. And above all, the search for “harmonious solutions to conflicts” or “the common interests of the company and workers”, namely: it is not legally assumed that unions represent the interests of one of the sides in industrial relations, but they must play rather a role of “mediation”. In the interviews carried out in both countries with leaders of these unions, it also appeared that an essential function of the union — even the only one, according to some union officials — is to ensure “labour law enforcement”⁹. This mismatch between the legal framework and real life requires addressing what is the reality of trade unionism in both countries from the perspective of working conditions and their evolution, the organization of workers and trade union action, strikes included, with or without the tutelage of other social, political or administrative authorities.

Especially in China, regarding these kinds of considerations on the freedom of association and the right to strike, official opinion is that strike actions threaten to destroy the socialist regime. This official argument obviously contradicts international standards such as the 1998 ILO Declaration on Fundamental Principles and Rights at Work.

The situation in China and Vietnam may be compared historically with the statements made by Lenin in January 1921 in his controversy over the proposal of Trotsky, when the latter called for the militarization of trade unions. Lenin noted that the confrontation between workers with the Soviet government (the Party) was not only possible, but even necessary in some cases. The reason, according to Lenin, was that

the trade unions no longer have to face the *class* economic struggle but the non-class “economic struggle”, which means combating bureaucratic distortions of the Soviet apparatus, safeguarding the working people’s material and spiritual interests in ways and means inaccessible to this

⁹ These interviews were carried out by BOIX (see op.cit.).

apparatus, etc. This is a struggle they will unfortunately have to face for many more years to come.¹⁰

2. Trade unionism, its organization and action in the official structures and in the workplaces¹¹

The trade union landscape in China, according to the official data for 2014, is as follows: an economically active population of around 797 million people; 772 million employed people; and 280 million members of the AFCTU.¹² As for Vietnam, the official statistics give us the following figures also for 2014: an economically active population of 53.7 million people; 52.7 million employed people; and around 8 million members of the VGCL.¹³

Now, if we move the focus from the macro to the micro level, it is worth noting that many workers interviewed in Chinese and Vietnamese factories with a high rate of union density stated that they were not affiliated to those unions. Or, even so, they were unaware of their activity at the workplace. It can be said that it is really not possible to compare the above figures for China with those of the International Trade Union Confederation, which states a membership of around 180 million people; or with the World Federation of Trade Unions, with 90 million people.

This particular concept of “affiliation” is complemented by the system of union dues. It is formally a double fee: the one paid by each affiliate, and the one paid by companies directly to the union (2% of the wage bill, although with increasing difficulties in private companies). Around half of all paid dues are for the higher level structures and the rest for the “union” activity in the company, which are mainly for recreational activities and welfare programs. The affiliates are paid by payroll deductions in very few of the companies visited in both countries and were fixed at 1% of individual salary, but those observed were between 0.75 and 1.75 € per month in Vietnam and 0.3 € in China.

¹⁰ LENIN, V.I. *Collected Works*, 1st English Edition. Moscow: Progress Publishers, 1965, Volume 32, pp. 70-107.

¹¹ The analysis of this section combines the information provided by the official statistics and the trade unions, with the empirical data collected in the visits of one of the authors as a member of an international trade union delegation to factories in China and Vietnam.

¹² *China Statistical Yearbook 2015*. National Bureau of Statistics of China. And AFCTU for data on union membership.

¹³ *Vietnam Statistical Yearbook 2014*. General Office of Statistics of Vietnam. VGCL National Review Conference, 2015.

It is worth noting that in most of the factories visited, the formal workers’ representatives said they do not negotiate salaries. Nevertheless, in recent years they began to comment that they “sometimes speak of wages”, although it was related to the proper application of the labour law. Regarding this issue, it is possible to suggest that there is rising trade union awareness in Vietnam compared to the situation in China.

Another key element is how the leading bodies of the trade unions are configured in the workplaces. In both countries, there are very detailed and complex rules, but they did not apply to any of the factories visited in China to Vietnam. There is a widespread practice of an alleged consensus that union functions in the workplace are performed almost always by technical or administrative workers, mostly managers or staff from the personnel department. Furthermore, in many cases the role of President of the Union is played by the chief of staff or the production manager. The members of such trade union bodies told us many times that for these functions middle management was usually chosen to lead. In a Chinese factory, where the union president was also the owner of the company, he told us that “he had been hired for both functions”.

It is important to note, in any case, some differences of degree between both countries: in China, notions of common interests or the simultaneity of the roles among the leading bodies of employers and employees is more extensive. These differences can also be noted with regard to the evaluation of trade unions. In China, trade unions state that these situations happen mostly because workers desire it. Furthermore, the leading body of the ACFTU explained to us without blushing that a “pilot project” was launched in Guangdong province, consisting of the application of a “new rule” that forbids the owner or manager of a company, or their relatives, to be “union leaders”.

These situations also can be registered in Vietnam, but there is an increasing awareness inside VGCL about the need for changing the representation procedures, and also regarding the improvement of skills training in order to engage in effective collective bargaining with foreign buyers and their suppliers.¹⁴ In this regard, it is worth noting a recent experience held in this country in 2015. Specifically, it consisted of a meeting of union members of

¹⁴ Khanh, Do Ta. *SWORR Fieldwork Research: Synthesis Report*. Institute for European Studies, Hanoi, Vietnam. August, 2015; Ngọc Trần, A. “Vietnamese Textile and Garment Industry in the Global Supply Chain: State Strategies and Workers’ Responses”. *Institutions and Economies*. Vol. 4, n.3, October 2012, pp. 123-150.

textile companies from the north of Vietnam and suppliers for the Spanish company Inditex. The goal of this meeting, coordinated by the VCGL, IndustryALL, Global Union and the Vietnam Office of the Friedrich Ebert Foundation, was to launch a national Trade Union network of the suppliers of Inditex, which is planned to be created in 2016. The Vietnamese Trade Union Confederation, committed to this project, has assumed the challenge and the risk of promoting an effective representation of delegates for the participation in the national Assembly.

3. Collective bargaining¹⁵

The labour law in both countries establishes a set of provisions about the concept and procedures of collective bargaining at company level and, only in Vietnam, also at the sectorial level. The *Labour Law of the People's Republic Of China* (1994, articles 33 to 35) regulates the procedures for the negotiation of company-level company agreements, on matters relating to labour remuneration, working hours, rest and vacations, occupational safety and health, insurance and welfare. The law also regulates the relation between these agreements and the labour contracts, establishing that “the standards of working conditions and labour remuneration agreed upon in labour contracts concluded between individual labourers and the enterprise shall not be lower than those stipulated in the collective contract” (article 35).

The regulation of this topic in the *Labour Code of Vietnam* (2012) is significantly wider, including a specific chapter on “Dialogue at workplace, collective bargaining, collective bargaining agreements” (chapter V). There is a more detailed set up of procedural provisions but the most interesting issue, as noted above, is the regulation of collective bargaining at the sectorial level. In this regard, the law establishes a hierarchy between both levels of bargaining, with a prevalence of the sectorial over the company-level agreements.¹⁶

Against this legal framework, collective bargaining according to international standards and ILO conventions is practically non-existent.

¹⁵ See footnote 11.

¹⁶ For example, it was established that “where the contents of an enterprise-level collective bargaining agreement or other regulations of the employer on the lawful rights, responsibilities and interests of the enterprise’s employees are less favourable than those stipulated in the sectorial collective bargaining agreement, the enterprise-level collective bargaining agreement shall be revised accordingly within 03 months from the date on which the sectorial collective bargaining agreement comes into effect” (article 881.).

Collective bargaining is widely regarded as a formality rather than the outcome of real negotiations between workers and employers. For example, in Vietnam “according to the VGCL informant, most workers do not know the contents of the active collective bargaining agreements (CBAs) in their companies. Some cannot even tell the difference between the CBA and labour contracts”.¹⁷

However, statistics provided by the trade unions highlight an important number of collective agreements. For example, in a meeting held in China in 2015 with the AFCTU, we were told that in 2013 2.4 million collective agreements covering 300 million workers were registered, with a target of coverage of 500 million workers by the end of 2015.

The findings of the interviews carried out in China and Vietnam, and the analysis of the contents of some company-level company agreements, shows a similar pattern in both countries. Thus, what is called a “collective agreement” is that which has been formally signed by the union leadership and the directors of the company and its contents usually consist of a brief reference or transcription of the existing legislation on minimum wages, working hours, quoting social security laws or in some cases references to a supplemental question, such as to the price of the litter in China, or to the parking a bike in Vietnam. In some few cases, there were also provisions related to a bonus, but never to issues such as work organization, a bonus system or trade union rights. It is worth noting that these situations of little real collective bargaining can also be found in virtually all the countries with a presence of the production chains of the global garment brands. At the same time, it is fair to recognize the potential advantage of China and Vietnam regarding the number of such “collective agreements”, as they can be starting points for an effective collective bargaining.

In Vietnam, there are sectorial collective agreements; the first was signed in 2010. It has a limited coverage, affecting around 100 companies and around 100 thousand workers in the garment industry. In spite of this low coverage and of the reduced scope of its contents, it is worth highlighting at least two points: on the one hand, because as noted above it is the first sectorial collective agreement at national level; on the other hand, because it links the regulation of strikes to collective bargaining, so it allows for the possibility of “national” strikes. The limitations of this agreement reflect those of the trade union itself, whose sectorial organization is still very weak compared

¹⁷ Fair Wear Foundation. *FWF Country Study Vietnam*. 2015, p.25.

to its territorial and local structure. These limitations are also evident in the ignorance of this agreement by the union leadership in Ho Chi Minh City, as well as by executives and unions of the companies we visited.

The national textile federation and the Vietnamese Confederation affirmed their willingness to extend the effectiveness of the sectoral agreement while developing its contents, both in relation to salary and to issues related to working conditions, particularly working time. Also, they noted the importance of linking the sectoral collective agreement to the Code of Conduct and the company agreement of Inditex with IndustryALL.

4. Evolution of working and life conditions¹⁸

Over the last 10 years, living conditions in China and Vietnam have had a remarkably similar evolution, assuming in both countries major improvements, but with significant quantitative differences between them. Thus, in China the minimum wage – which differs regionally – rose from 30-65 € per month in 2006 to 250-300 € in 2015. In Vietnam, they improved from 36 € in 2009 to a range between 90 and 130 € in 2015. However, these are minimum wages for the formal economy with a difficult implementation in the underground economy.

The actual remuneration of an employee at the garment industry, as tested in production chains of the big brands of clothing, were between 100 and 140 € in 2006 in China, and came to be between 270 and 500 € in 2015. In Vietnam, actual remunerations evolved from 46 to 80 € in 2009 to 200 to 300 € in 2015. All this for an extended regime of working hours, including additional hours, which has hardly evolved over the years and remains between 2,300 and 3,000 hours year.

It was also noted that there was a certain evolution in living conditions in Chinese factories: in 2006, living quarters with bunk beds for workers in large factories away from urban areas could host from 8 to 10 people in spaces of 3.8 meters and 10 to 12 berths (the “surplus” served to deposit the goods of the working poor); in 2015 they were destined for 5 or 6 people. It was also possible to observe some increase in televisions in such spaces, as open windows to the world through the chains that censors allowed to “invade” the country.

The audited figures on wages coincide with the official statistics of both countries regarding the evolution of living conditions and poverty. It should be added, however, that this progress has occurred in parallel with the huge

¹⁸ See footnote 11.

increase in inequalities, so that China is today one of the most unequal countries in Asia. This is expressed by an indicator such as the Gini index: thus, according to some sources this indicator has increased from a value around 0,35 in both countries at the end of the twentieth century, to a value of 0.38 in Vietnam and 0.46 in China in 2015.¹⁹

In particular, international institutions have remarked that the current process of industrialization and the consolidation of a growing industrial labour force have favoured many people from rural areas who have escaped from a situation of monetary poverty. However, the results of empirical studies show that this process is not without contradictions due to high insecurity and harsh working conditions that characterize industrial jobs; in fact, in many cases there has been a return of workers, especially of women, to rural areas of origin.²⁰

It is possible to point out that the above noted evolution of living conditions in both countries has been influenced among other factors by the global struggle for “decent” work, the direct assumption of that objective by political and social organizations in each country, and the influence of the Codes of Conduct and Framework Agreements signed by the multinationals who buy in both countries. Nevertheless, some relevant differences can be found again between China and Vietnam, regarding the trade unions’ approaches on the concept of decent work.

For example, in China the ACFTU has so far claimed to be outside of the Global Framework Agreements in the country²¹ and has established a Code of Self Conduct, almost copied from that first drafted in the BSCI²² textile sector (although we found that its existence is ignored by both entrepreneurs and ACFTU structures in the companies or territories). In Vietnam, by contrast, the VGCL has considered that the implementation of the Global Framework Agreement with Inditex can help improve working conditions in

¹⁹ Statista (<http://www.statista.com/>) for China, and World Bank for Vietnam.

²⁰ Cerimele, Michela. SWORR Project. *Female Internal Migrant Workers at Thang Long Industrial Park. A Qualitative Case-Study*. Author: Dr. Michela Cerimele, University of Naples L’Orientale. March 2015.

²¹ In the last two trips with official meetings, the ACFTU stated that the application of these agreements is “under consideration”. They have not yet accepted our suggestion to consider a protocol for implementing the Code of Conduct of Inditex, linked to the Global Framework Agreement with IndustriALL Global Union.

²² Business Social Compliance Initiative, commitment to corporate social responsibility promoted by major multinational European industry and distribution whose first approaches were criticized by European and international trade union movement for its lack of transparency.

the sector of clothing and footwear and has raised the question of the application of sectorial collective agreements mentioned above. Based on these approaches, we are working to advance unionization through its implementation and monitoring the Union Network Inditex suppliers in the country, which is a global pioneering experience in the trade union organization of subcontracting chains.

5. The strike²³

The positive evolution of living conditions in both countries has undoubtedly been influenced by the policies of the respective governments, whose anti-crisis policies since 2008 have included among other measures increases in minimum wages, aimed to boost its domestic market by increasing purchasing power. In parallel, it is possible to ask about the influence of industrial action carried out by both the “official” and real unionism, and particularly of strikes. Once more, some differences can be found between the two countries.

Thus, in China there is as noted above an “official voluntary ignorance” of the phenomenon of strikes. The very statistics of the Ministry of Public Security shows, however, an increasing social unrest in the country, from 74,000 conflicts in 2004 to 200,000 in 2012.²⁴ In Vietnam, official figures show an increase in the number of strikes in the past decade, from 147 in 2005 to 293 in 2014. This rising trend is also corroborated by the findings of the academic research, which has highlighted that Vietnam has witnessed more strikes than any other Asian country in the last decade, in spite of its vibrant economy.²⁵

The strike movement in China was very active in 2010, especially in the automotive industry. Also, this year and the following were marked by strikes in the electronic, gas and electric sectors. The comments and evaluations taken in the field during our visits, particularly with the delegation of the ICEM²⁶ in July 2010, suggested a conscious tolerance on the government side about these strikes. In April 2014, one of the most

²³ See footnote 11.

²⁴ It is worth noting that different reports warn about the underestimation of the extent of social unrest in China in the official figures. See for example GÖBEL, Christian and ONG, Lynnete. *Social unrest in China*. Europe China Research and Advise Network. London, 2012.

²⁵ KAXTON, Siu; and CHAN, Anita. “Strike Wave in Vietnam, 2006–2011”. *Journal of Contemporary Asia*. Vol. 45, n.1, 2015, pp. 71-91.

²⁶ International Federation of Chemical, Energy, Mine and General Workers' Unions, currently integrated in the IndustryALL Global Union.

important strikes in the recent history of China occurred. In the town of Dongguan, Guangdong Province a strike of two weeks broke out with the participation of the vast majority of the 45,000 workers of the Yue Yuen Industrial Holdings factories. This is a Taiwanese company based in Hong Kong, considered the largest producer of sports footwear in the world that works for Nike, Adidas, Timberland, Puma, Crocs and others. The main reason for this conflict was that the company did not pay the social contributions according to the real wages (around 350 € per month), but according to the basic wages of the region (around 200 €). The company also did not pay the “funds for housing”, and there were also problems of schooling for many workers’ children as a consequence of the regulation of migration.

The strike was developed with major demonstrations and an occupation of the workplace. In the little information we have on this conflict,²⁷ there is a brief reference about an attempt to mediate by the official ACFTU union, which was rejected by the strikers. Some strike leaders were arrested on charges of “public disorder”, “obstruction of road traffic” and “spreading false news”, but they were quickly released. Finally, the government forced the company to pay the contributions, and it also accepted a wage increase of about 30 € per month. Some media compared the significance of this strike with that registered in the automotive sector in 2010. In June 2014, *China Daily* (the official English-language newspaper) reported that the Fujian arbitral tribunal had ruled in favour of workers after a strike of two weeks. The newspaper highlighted that “so far the courts and arbitral authorities did not support the positions of the workers if they defended their rights to strike”.

As for the strikes developed in Vietnam, it is interesting to address one experience that took place in 2015, as we could test in our last trip to the country. In early April, a major strike broke out in a footwear company in the area of Ho Chi Minh City. It was the Pou Yuen company, Taiwanese-owned, with 90,000 workers who produce shoes for Nike, Adidas and other brands. The reason was the draft amendment of the regulation in the country of retirement benefits for which hitherto existed a complex formula that allowed collectability, in a single or in instalment payments before retirement age (60 for men and 55 for women) if they had contributed a sufficient number of years (20 according to some documentation). The strike lasted a week and it included different actions such as the occupation

²⁷ Basically provided by the Association Press.

of the workplace and street demonstrations with no serious incidents. The workers returned to work when the government pledged to reconsider the issue.

We could see the impact of this strike in the factories we visited by interviewing workers and trade unionists, and also employers. There was a first remarkable fact: talking of “strike” was no longer a taboo subject. Quite a few workers said they knew of the strike and its essential content (retirement benefits); also, they said they heard of the strike both on “radio and television” and in “meetings in the union”. In one of the companies visited, workers indicated that they had made a 2-day strike for the same reason, concurring with that of Pou Yuen. This was recognized by the governing body of the union. They explained how it happened: during lunch in the canteen someone said he had seen on the internet about how the strike was proceeding, and they decided to join immediately. Almost no one returned to their job. Union leaders of the company met with their managers and claimed that there should not be any sanction, letting the workers go home, and that they would report on the subject, so that the next day they could provide explanations. The next day the workers went to work, but did not start waiting for such information. A local union leader, along with those of the company, explained the reasons for the strike and the government's commitment to reconsider the issue. The workers decided to continue the strike the second day, and the company accepted the proposal of their return to their homes. The following day, employees resumed work, and the two days of strike were considered as holidays.

In this company the union leaders indicated that there was also a strike in other places, but its development was more complicated by the absence of trade unions or trade union initiatives in them. During our stay, *Vietnam News* included several references to the meeting of the National Assembly that was taking place and on possible amendments to the law on Social Security 2014 Article 60, which had motivated the strike. This was the only recent conflict commented on our visit to the factories. In one, we were told that “until 2009” there had been some conflicts because “prices rose more than wages”.

A few days after our last stay in Vietnam, the Vietnam press reported on a 6-day strike carried out by 1,100 workers in a garment factory. Based on information from the union of the town, the press noted that, as a result of the strike, the company accepted a wage increase, the construction of a parking lot for motorcycles and measures aimed to ensure safe water in the company. The newspaper added that workers also demanded rest on

Sundays and an end of the working day on Saturday at 4:30 p.m. The resolution of these demands was still pending.

To conclude: it is possible to affirm that strikes are increasingly assumed as a normal fact related to the development of industrial relations in Vietnam. On the contrary, talking about this topic is still almost a taboo issue in China.

6. Final remarks: reform or rupture

The Chinese and Vietnamese labour movements are definitely in a transition phase, and even under strain in a context of the implementation in both countries of the market economy and its integration into the global world economy. There are now processes of union action that go beyond official political and union structures. Against this background, it would be very audacious to establish any certainty about the future developments of these phenomena.

Clearly, a new unionism is emerging in both countries, but it is still risky to predict whether it will lead to the marginalization of the existing structures, or if the result will be an integration of the new union leaders arising from the current mobilizations and strikes into the union offices of the current ACFTU and VGCL. It remains to be seen what role unionists might play from such processes. The capacity of the Vietnamese official unions seems greater to integrate new union leaders arising from trade union action.

It seems clear in any case that part of the current “union” structures will lead to management, outside of union action, to try to manage the great resources that have accumulated with the “union dues” paid for years by companies. Another element influencing the development of this transition will surely be the understanding that the role of trade unionism is necessarily different in a planned economy, based on the public ownership of the means of production, of one that it is taking hold through the already advanced privatization processes or new private equity investments, national or foreign, in a “market economy with its own traits”. This is a highly relevant issue in Vietnam given the current involvement of the country in negotiating free trade agreements, including the Agreement between the United States and Vietnam and the Trans-Pacific Agreement. Both agreements pose significant challenges, because if on the one hand they recognize the role of trade unions, on the other they strengthen the unilateral power of transnational corporations of foreign capital on the legal regulations related to living and working conditions in the country.

The labour movements of Chinese and Vietnamese, based to a greater or lesser extent in the current official union structures, will undoubtedly play an important role in the future unionism, responding to the current global labour crisis, and consciously taking its integration into the global working class. The incorporation of the working classes of both countries to the global trade union movement will be definitely a new opportunity to address the current crisis, broader than just an economic crisis, and that translates into a crisis response capacity of national and supranational institutions including trade unions. This is leading to a global debate about the need to “rethink”, “reinvent” or “renew” the trade unions.²⁸

The necessary construction of a global trade unionism, integrating labour movements that organize the working class in all areas and at all levels, must also consciously assume the existence of interest not necessarily common in such areas and levels, and at the same time try find a synthesis in all of them. The immediate future of the labour movements in China and Vietnam can play an important role in this scenario with one condition: to organize and represent in a real way the working classes of their countries.

Therefore, the relationship of global trade unionism with new labour movements under construction in China and Vietnam constitutes a matter of obvious interest. There is now, in the most diverse areas of world trade unionism, a debate on this issue that occasionally emerges with remarkable intensity. From these pages, we wish to emphasize its importance, contributing with our analysis to this process of the transition from official to real unionism, and our hope for its success.

Further reading

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²⁸ See for example in the European context: BERNACIAK, Magdalena; GUMBRELL-MCCORMICK, Rebecca; and HYMAN, Richard. *European trade unionism: from crisis to renewal?* European Trade Union Institute, Report n° 133, Brussels, 2014.

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Brazilian trade unionism faces neoliberal capitalism – alliances and disputes between CUT and Força Sindical, 1990-2015

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Introduction

This article discusses the trajectory and actions of *Força Sindical* – FS (Trade Union Force) and the *Central Única dos Trabalhadores* – CUT (Unified Workers' Central) during neoliberal governments in Brazil from 1990 to 2015. CUT was founded in 1983 as a class-based and combative national trade union central. Throughout the 1990s, it was one of the main opponents to the neoliberal governments of Fernando Collor, Itamar Franco and Fernando Henrique Cardoso. Established in 1991, the FS assumed the role of CUT's antagonist since it was responsible for agglutinating trade unions allied to the government around the conception of “trade unionism focused on results”, ending up as a supporting force for neoliberal governments. However, from 2003 onward, these union centrals became forces allied to the Lula government of the Workers' Party (PT) (2003-2010) and during a part of President Dilma Rouseff's first term (2011-2014). What kind of changes occurred during this period?

The dynamics and the positioning of these two main trade union centrals must be understood according to the logic of capitalism in its present stage, which is marked by a double assault against work and workers. Our aim is to discuss the disputes and alliances between the two organizations in

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addition to their programmatic changes and dissidences that, according to our argument, were to a large extent motivated by their positions in the face of policies implemented by neoliberal governments.³

Neoliberalism and the new stage of capitalism

After a period of economic growth that lasted for three decades after the Second World War II, the bourgeoisie witnessed their profit rates decrease all around the world throughout the 1970s.⁴ Since then, the imperialist offensive on a global scale for the recovery of profit rates constructed a new stage of capitalism.⁵ Productive restructuring, through new ways of management focused on the flexibilization of the labour relation and new technologies based on microelectronics that reduced the labour force, constituted the material base for this process. On the political-ideological plan, it was necessary to prepare the ground for the upcoming changes, since capitalism needed to overcome all the barriers to such a politics such as the strength of the welfare state, especially in the core capitalist countries. As a consequence, to achieve stability, capitalist states implemented a series of measures: the reduction of public spending, the dismantling of social policies, cuts to social security and labour rights, the deregulation of work to permit flexibilization, the opening up of new avenues of accumulation by privatizing strategic sectors and liberalizing trade and the financial system.

Neoliberal policies sought to financialize the economy while subjugating countries to the requirements of financial capital. In this sense, the way out proposed by neoliberalism to confront the public debt and high inflation rates, was to basically transfer a part of government revenues to the banks and speculators. For its part, financial capital demanded fiscal adjustment (austerity) and a monetary policy that had been harming productive investment and public services for decades. The result was the precarisation of work, the rise of unemployment and the impoverishment and degradation of the working and living conditions of the working class.

These policies went through many trials, but it was only at the end of the 1970s that the financial part of the imperialist bourgeoisie conquered its hegemony on a global scale. Its consolidation occurred during a meeting

³ For this purpose, the congress resolutions for both union centrals were consulted over this period.

⁴ ANDERSON, Perry. "Balanço do neoliberalismo". In: SADER, Emir e GENTILI, Pablo. (orgs.) *Pós Neoliberalismo – as políticas sociais e o Estado democrático*. Rio de Janeiro: Paz e Terra, 1995, pp.9-38.

⁵ HARVEY, David. *The New Imperialism*. Oxford: Oxford University Press, 2005.

among institutions headquartered in the U.S. capital, such as World Bank and IMF (International Monetary Fund) – known in the literature as the Washington “consensus”. The social relations of this new stage of capitalism were characterized by neoliberalism, which, in general, constituted an imperialist offensive on a global scale under the hegemony of financial capital.⁶

This process did not occur in the same way among all countries. Taking this in to consideration, the restructuring of capitalist companies has occurred in those with high technological potential, especially those localized in the core capitalist countries. The suppliers and outsourced companies, in sectors of low technological potential and, especially, in the peripheral countries, operated through a cheap labour force which gave rise to a divergence between the technological potential available and the kind of investment companies were willing to make. Therefore, new technologies were not widely spread to the peripheral countries, but new methods were introduced to control workers, followed by the flexibilization of labour relations and the loss of labour rights. On the other hand, the advancement of neoliberal policies also arose from the particular configuration of international forces. In this respect, such policies were imposed on the periphery by the core countries and by financial institutions that acted internationally representing their affairs, most of the time without reducing their own protectionist policies. In this context, the role that the Brazilian social formation played during this new stage of capitalism made its peripheral condition even worse, insofar as it submitted the country not only to the industrial imperialist bourgeoisie, but most of all to foreign banks and speculators.

In Brazil, neoliberal policies got a boost during Fernando Collor de Mello’s (1990-1992) government. They were continued by Itamar Franco’s (1992-1994) government, reaching their peak during Cardoso’s two terms (1995-1998; 1999-2002). They were maintained during the governments of Luiz Inácio Lula da Silva (2003-2006; 2007-2010) and Dilma Rousseff (2011-2014; 2015-2016). When we characterize all these governments as neoliberal, it means that their actions had the clear purpose of prioritizing

⁶ DUMÉNIL, G.; LÉVY, D. “Superação da crise, ameaças de crises e novo capitalismo” (pp. 15-41). Em: CHESNAIS, F., DUMÉNIL, G., LÉVY, D., WALLERSTEIN, D. *Uma nova fase do capitalismo?* São Paulo: Xamã, 2003, pp. 15-41; BOITO JR., Armando. *Política neoliberal e sindicalismo no Brasil*. São Paulo: Xamã, 1999; ANDERSON, Op.Cit.

the objectives of the financial bourgeoisie above all others.⁷ However, neoliberalism in Brazil was not adopted without contradictions.

Collor (1990-1992) was elected on an openly neoliberal platform. Among other measures, he promoted an indiscriminate trade liberalization of the Brazilian economy, reduced labour and social rights, made working conditions more flexible and downsized the public service. It was at the beginning of his first term in 1990 when he became the first president to introduce the *Programa Nacional de Desestatização* – PND (Brazilian Privatization Program). Under this program USIMINAS, one of the most important state-owned steel producers in the country, was privatized in 1991.⁸

Itamar Franco (1992-1994) continued these policies and during his government the list of privatizations grew even longer. Besides the steel companies *Companhia Siderúrgica Nacional* – CSN (National Steel Company), *Açominas* (a mining company known as Gerdau Açominas S.A) and the *Companhia Siderúrgica Paulista* – Cosipa (a steel company located in São Paulo), the *Empresa Brasileira de Aeronáutica* – Embraer (an aircraft company), one of the world's major aircraft producers, were also privatized.

In the following years, Cardoso (1995-2002) moved forward through the flexibilization mainly of labour rights⁹ and privatizations.¹⁰ In his governments, the *Companhia Vale do Rio Doce* (a mining company known as Vale S.A) and *Telebrás* (Telephone Land Line Company) were privatized¹¹ as well as some banks and state-owned electric companies. In addition, in 1999 he broke Petrobras' state monopoly. As Finance Minister in the Itamar Franco government in 1994, Cardoso implemented a plan to

⁷ BOITO Jr, A. "Governos Lula: a nova burguesia nacional no poder". In: BOITO Jr, A., GALVÃO, A. *Política e classes sociais no Brasil dos anos 2000*. São Paulo: Alameda, 2012; MARTUSCELLI, Danilo. *Crises políticas e capitalismo neoliberal no Brasil*. Curitiba: Editora CRV, 2015; SINGER, André. "Cutucando onças com vara curta: o ensaio desenvolvimentista no primeiro mandato do governo Dilma (2011-2014)". *Novos estudos Cebrap*, n. 102, 2015.

⁸ TRÓPIA, Patrícia Vieira. *Força Sindical - Política e ideologia no sindicalismo brasileiro*. São Paulo, Expressão Popular, 2009.

⁹ GALVÃO, Andréia. *Neoliberalismo e reforma trabalhista no Brasil*. Rio de Janeiro: Revan, 2007.

¹⁰ BIONDI, Aluizio. *O Brasil Privatizado – um balanço do desmonte do Estado*. São Paulo: Perseu Abramo, 1999; BIONDI, Aluizio. *O Brasil Privatizado II – o assalto das privatizações continua*. São Paulo: Perseu Abramo, 2000; GRACIOLLI, Edilson José. *Privatização da CSN – da luta de classes à parceria*. São Paulo: Expressão Popular, 2007.

¹¹ CAVALCANTE, Sávio. *Sindicalismo e Privatização das Telecomunicações*. São Paulo: Expressão Popular, 2009.

control inflation using the *Plano Real*, a set of measures to stabilize the Brazilian economy. This measure was sustained by a recessionary policy, designed in the interests of international financial capitalism. In his second term as a president, this project was crowned through the economic policy known as the “primary surplus formula, in which there are high interest rates and monetary overvaluation”. As a main consequence of this process, there was a rise in unemployment, a growth in informal labour and the loss of labour rights through reforms.

The governments of Lula (2003-2010) and Dilma (2011-2016) sustained the last policy mentioned. Even though during the PT period there were no large-scale privatizations as in previous governments, their governments broadened the policy of concessions of the public sector and partnerships with private companies, above all in the transport sector. Moreover, there were also privatization policies that exempted private equity from taxation, notoriously the higher education industry. There were also smaller-scale privatizations of state-owned banks, hydro-electric power plants and the pre-salt oil exploitation fields, one of the major oil discoveries in the last decades.

The Lula and Dilma governments maintained the hard core of neoliberal economic policy. Thus, if neoliberalism is the stage of capitalism under the hegemony of financial capital, these governments can be characterized as neoliberal, insofar as they adopted policies that benefitted a specific part of the bourgeoisie. In fact, what differentiates the PT governments from their antecessors is the re-accommodation of the other wing of the bourgeois class, mainly the large national bourgeoisie.¹² Another point of differentiation is that certain privileges were conceded to the working class. The point here is not to debate if this repackaged political economy would be enough to characterize the PT period as neo-developmental or as social-liberal etc.¹³ Yet it is necessary to highlight the following: PT governments followed the economic policy rules that benefitted international financial capital, although it is necessary to take in to account that the remaining neoliberal policies suffered some setbacks under these governments.

¹² BOITO, Jr. “Governos Lula: a nova burguesia nacional no poder”. Op. Cit.

¹³ Boito Jr. Ibid., Martuscelli. *Crises políticas e capitalismo neoliberal no Brasil*. Op. Cit. and SINGER, André. “Cutucando onças com vara curta: o ensaio desenvolvimentista no primeiro mandato do governo Dilma (2011-2014)”. Op. Cit. present some disagreements related to terminology and the content of the analysis, but they agree that the PT governments adopted some neoliberal reforms and did not break ties with the hegemony of financial capital.

1) Trade liberalization was not as indiscriminate as it was in the 1990s. In fact it was quite the opposite, since the country had been achieving a surplus in the trade balance while it became a major commodities exporter. Furthermore, the focus on the national economy provided some recovery for some important sectors of national industry.

2) Despite the advancement of privatization through concessions to and partnerships with the private sector, as well as some privatizations, no single large-sized companies were privatized.

3) There was no great advance in the flexibilization of labour laws. However, it is possible to identify the loss of some labour and social rights, as shown in the Social Security Reform in 2003, which did away with some historical rights of public sector workers. The PT governments also implemented the First Employment Contract and the Legal Entity Contract that, respectively, reduced the employment stability of young workers and allowed the hiring of service workers as if they were private companies.¹⁴

4) And last, but not least, it is crucial to draw attention to the fact that, in the first 12 years of the PT governments up to Dilma's first term, there were considerable achievements for the working class. Formal job growth, the minimum wage and real wages rose, poverty declined through compensatory policies, the public service was enlarged and higher education vacancies expanded. This is diametrically opposed to what occurred in the previous 12 years when there were job losses, wage restraints and reduction of the public sector.

The next section will address how the Brazilian trade union movement reacted to these developments.

CUT in face of neoliberalism

Considering the period from 1990 to 2002, CUT opposed the neoliberal policies implemented by the Collor, Itamar Franco and Cardoso governments. This opposition can be explained by taking into account three factors. First, a programmatic matter: CUT had as a principle the conciliation of the working class' historical and short-term objectives. In this regard, it defended a socialist perspective, but negotiated improvements in capitalism through a national-developmental agenda promoted by the state. This aspect differentiated it from neoliberalism. Second, a party-political interest: the neoliberal project that won the 1989, 1994 and 1998

¹⁴ GALVÃO, Andréia. "A reconfiguração do movimento sindical no Governo Lula", *Outubro*, n.18 1º. semestre 2009, pp. 176-200.

presidential elections were against Lula of the *Partido dos Trabalhadores* – PT (Workers’ Party) one of the founders of CUT.¹⁵ Finally, it is important to consider a pragmatic point: CUT’s basis was directly affected by neoliberal policies, composed not only by the public sector, but also by traditional sectors (banks, industry etc.) noted by their capital accumulation in the public and private spheres. Before the election of the PT in 2002, the national trade union central was totally against privatizations, trade liberalization, flexibilization of labour rights and cuts to social spending since these policies harmed workers through the precarisation of work and the increase in unemployment. It is important to note that CUT not only adopted positions against privatization, but also resisted through strike actions in the sectors which they had organized. One of the most important strikes in this period was by CUT-organized oil workers in 1995, which ended up with military intervention after more than 30 days of paralyzation. This event actually delayed Cardoso’s project to break Petrobras’ state monopoly that was only accomplished three years later.

In short, it is possible to affirm that CUT resisted the hard core of neoliberalism. However, CUT’s opposition to neoliberal policies was marked by contradictions. Some of its metalworker union affiliates in the ABC region¹⁶, São Paulo’s industrial belt, used sectorial committees, among other means, to negotiate the flexibilization of labour rights using the maintenance of employment as an excuse. This kind of practice became recurrent in CUT unions and was the subject of intense debates, tensions and disputes. Besides that, it is worth remembering that the entity went through deep ideological shifts, changing it from a class-based and combative trade unionism to a much more conciliatory and propositive unionism, constructed through collusion with management and the promotion of social services for union members. This was dubbed by some CUT leaders as “citizen trade unionism”. Finally, even rhetorically criticizing unemployment, CUT bought into the argument that unemployment was the individual responsibility of the worker who did not have sufficient training. As such, CUT unions worked with the Fundo de Amparo ao Trabalhador – FAT, a federal support program financed from trade union coffers to promote training programs. In this context, in 1999

¹⁵ The PT was founded in 1980 and CUT in 1983 as part of the ascension of trade union and popular movements that occurred during the context of Brazil’s period of re-democratization. Lula was the leader of historical metalworkers’ strikes at the end of 1970s and the beginning of the 1980s when he also devoted himself to the foundation of the party and became its first president.

¹⁶ The region in Greater São Paulo where CUT was originally born. It is the site of important metal industries such as the largest vehicle assembling companies in the country.

CUT created its own training organs, the *Central de Trabalho e Renda* (Work and Income Agency Federation) and the *Agência de Desenvolvimento Solidário* – ADS (Solidarity Development Agency).¹⁷ Summarizing, CUT was not immune to the impact of neoliberal ideology.

In this sense, neoliberal policies and productive restructuring forced CUT trade unions to retreat and demonstrated that the level of resistance depended not only on the tools available in each moment, but also on the ideological beliefs that began to prevail in the union central.¹⁸ We can conclude that CUT fought against the hard core of neoliberal policies, but these policies put the union central on the defensive, reducing its margin of action, and in part, some of its trade unions adhered passively to neoliberal premises.

With the beginning of the Lula governments in 2003, the political-trade unionist perspective suffered deep changes. For the first time in its history, CUT became aligned to the federal government. In this sense, it supported most of the measures and programs of the government, apart from the fact that many of its leaders participated directly in the government through nominations to ministries and secretaries. This support, however, did not prevent contradictions to arise when its interests were opposed or just not attended, even though these reactions were not as hard as when the PT was in opposition. In other words, although there were some disagreements related to certain measures, this opposition was rarely shown since CUT never stood up to the government. The dispute for hegemony defended by the union central became more internal, considering that the central itself was a key part of the government.

In the first years of Lula's government, there was dissatisfaction with the continuation of neoliberal economic policy and the delay in attending some historical demands from the "popular-democratic field". This tension in CUT's relation to the government was felt even in the first months of Lula's first term when the government pushed through a Social Security Reform¹⁹,

¹⁷ SOUZA, Davisson C. C. *Sindicalismo e desempregados: um estudo comparativo das centrais sindicais do Brasil e da Argentina (1990-2002)*. Belo Horizonte: Fino Traço, 2013.

¹⁸ We have already shown in a previous paper the relation between the evolution of strikes and political, economic and ideological factors that related to each other through a complex and contradictory articulation. See SOUZA, Davisson C. C., TRÓPIA, Patrícia Vieira. "Greves, conjuntura político-econômica e transformações ideológicas no sindicalismo brasileiro recente (1989-2013)". *Anais III Conferência Internacional Greves e Conflitos Sociais*. Barcelona, junho de 2015.

¹⁹ CUT presented a dual position in the face of the Reforma da Previdência (Social Security Reform). Its intervention in the discussion process was unbalanced and defensive, because since Lula assumed the presidency, the union central was a supporting force of the

which restricted rights and made public service pension rules more flexible. Public-sector unions constituted one of CUT's key sectors. The tensions and disputes became more challenging in the following years, resulting in splits by socialist trade unionists from CUT who eventually formed two minor left-wing centrals: Conlutas - Central Sindical e Popular – Coordenação Nacional de Lutas (Popular National Trade Union Central), in 2004, and Intersindical – Central da Classe Trabalhadora (Intersindical – Working-Class Central), in 2006.

Legal reforms regulating trade union representation contributed to these divisions. Since the promulgation of Law 11.648/2008 in 2008, that officially recognized labour union federations as entities representing workers, the entities themselves, the ones with significant importance, began to collect resources from the trade union tax.²⁰ It was in the heart of these changes that the Corrente Sindical Classista (Classist Trade Union Current) along with the Partido Comunista do Brasil – PCdoB (Communist Party of Brazil), which had historically offered support to the trade union structure, left CUT and founded in 2007, the *Central dos Trabalhadores e Trabalhadoras do Brasil* (CTB) – (Workers Central of Brazil). Taking into account that, in this period, the União Geral dos Trabalhadores – UGT (General Union of Workers Central) and the *Nova Central Sindical de Trabalhadores* – NCST (New Labour Union Central), emerged as representative entities, the conclusion is that, during Lula's government, the trade union map was reconfigured and ended up much more fragmented.²¹ Although CUT is still the largest Brazilian union central, it no longer competes only with the FS.

Under Lula's governments, the trade union map in Brazil thus underwent two major changes: on one hand, it became more fragmented with the

government. Luiz Marinho, the president at that time, was clearly a defender of the reforms even though he was aware of the pressure and resistance by public sector unions within the trade union centrals. According Freitas, CUT's defensive intervention in the Social Security Reform happened also because the union central did not assume retirement as a possible way of reducing the weekly work week. FREITAS, Revalino de. "Sindicalismo, reforma da Previdência e Tempo de Trabalho: o caso da CUT. Trabalho apresentado no XII Congresso Brasileiro de Sociologia, realizado na UFMG, Belo Horizonte MG, de 31 de maio a 3 de junho de 2005.

²⁰ It is essential to remember that the Trade Union Reform maintained the pillars of the trade union structure: uniqueness, compulsory contributions and the role of the Labour Courts in decisions related to labour conflicts. The trade union tax comprised the main source of funding for trade unions in Brazil. It amounted to the collection of one full day of wages per year of every unionized worker.

²¹ GALVÃO, Andréia; TRÓPIA, Patrícia Vieira; MARCELINO, Paula. *As bases sociais das novas centrais sindicais brasileiras*. Curitiba: Appris editora, 2015.

creation of several union centrals; on the other, the hegemonic sectors – CUT and FS –, previous political opponents, joined together in support of the federal government. However, we disagree with the thesis that struggles in Brazil underwent a process of pacification with the arrival of the PT in the presidency, or that CUT had been “co-opted” by the government.

First, it is essential to mention that in the case of CUT trade unionism the term “co-optation” does not apply precisely. It is nonsense to say that an entity is co-opted by a government of which it is part, not only through composing its supporting base, but also for providing personnel in key positions. In addition, if we take as an indicator of trade union mobilization the most important instrument of struggle – strikes – it is clear that strike action did not begin to suffer during Lula’s governments. Moreover, from the middle of his second term, strikes increased with the peak occurring during Dilma Rousseff’s first government. During the Cardoso governments, the annual average number of strikes fell from 861 in the first term (1995-1998) to 436 in the second term (1999-2002). Considering Lula’s first term, it fell even more, reaching the minimum level of 315 strikes a year in his first term (2003-2006) and increasing to 423 again in his second term (2007-2010). Yet strikes averaged 1,159 per year in the first three years of Dilma’s government.²² In 2013, for instance, Dieese – Departamento Intersindical de Estatística e Estudos Socioeconômicos – (Inter-Union Department of Statistics and Socio-economic Studies) recorded 2,050 strikes in Brazil, a number that surpassed the peak of 1,962 strikes in 1989 and establishing a 30-year record in Brazil. How, then, did CUT behave during the governments of Lula and Dilma?

The PT’s ascension to power was welcomed by CUT as an electoral victory over the neoliberal project. It would thus open up a new scenario while creating favorable conditions to overcome that model. However, while evaluating the first months of the first presidential term of Lula, CUT argued that the election victory was not enough and that overcoming neoliberalism would not be automatic, given the legacy of previous governments and the dispute that would happen with politicians aligned to neoliberalism, including those in alliance which formed the base of support in the Congress for the PT government.²³

However, even being aware of these limits overall, CUT’s expectation was that PT governments would make further progress. The union central called

²² The full details are mentioned in SOUZA and TRÓPIA, “Greves, conjuntura político-econômica e transformações ideológicas no sindicalismo brasileiro recente (1989-2013)”. Op. Cit.

²³ CUT. *Resoluções 8º. CONCUT*. São Paulo, junho de 2003.

for measures that would reverse the privatization process of state-owned companies. Even though the PT never carried out the privatization of large state-owned companies, they did continue to privatize and never considered reverting the auctions of state-owned enterprises conducted in the 1990s.

The union centre also advocated for a renegotiation and audit of the public debt. However, PT governments continued subordinating the public budget to financial capital²⁴, including the issue of new debt and primary surplus targets that become increasingly stifling to the national economy. CUT also demanded the taxation of financial capital. Yet except for a short period during Dilma's government, when interest rates fell, PT governments remunerated financial capital on a massive scale.

During the discussion process of tax reform in the government's first months, CUT made the following analysis: "It is necessary, however, to be bolder and more determined for the accomplishment of a true tax reform that aims at correcting the inherited distortions".²⁵ However, what we noticed in Lula's government was an increase in tax exemptions for business through partnerships and public policy management. In addition, in relation to economic policy, CUT expected changes such as reduced interest rates, the end of primary surplus and of the Fiscal Responsibility Law (a law created to establish goals and limits in public spending). As we have shown, however, Lula and Dilma followed the neoliberal tenets established during Cardoso's second term to the letter.

Additionally, there was a great expectation for agrarian reform. Instead, the government favored the largest agribusinesses although it also promoted a microfinance policy for family farms. Yet there was quite limited progress in the expropriation of unused land to distribute to small-scale producers. In the labour rights area, there was also no progress related to CUT's two other demands: the reduction of working hours and the "revocation of the provisional measures and laws for the flexibilization of labour rights adopted in Cardoso's government".

For what reason then would the union central keep its ties with PT governments?

Using as a parameter the criteria used to evaluate the 1990s, we can assume that this support occurred for reasons of a programmatic, pragmatic and partisan order. CUT has never ceased to show its dissatisfaction with the continuation of neoliberal economic policies and the trifling improvement in

²⁴ Even before being elected, in the *Carta ao Povo Brasileiro* (Letter to the Brazilian People) in 2002, Lula had announced to the banks and speculators that he would honor the previous governments' financial commitments.

²⁵ CUT. *Resoluções 8º. CONCURT*. São Paulo, junho de 2003, p.35.

many of its demands. But it still supported most of the government's programs and measures such as the *Bolsa Família* program (Family Grant, a small but significant cash transfer from the federal government to the very poorest families), the popular credit incentive policy, especially around the housing program *Minha Casa, Minha Vida* (housing units for low-income families), the geopolitical realignment that valorized Mercosul and proximity to other Latin American left-wing governments. Among others, we can also mention the incentives for national businesses and the financing of productive activity through loans from the state development bank, BNDES, especially during the first edition of the *Plano de Aceleração Econômica* (PAC, Acceleration and Growth Plan) not to mention the growth in the trade unions representative roles such as the expansion of tripartite dialogues, the legal acceptance of union centrals after the trade union reforms, the minimum wage valuation policy, and so on.

This support was also a result of a pragmatic question. The Brazilian working class as a whole – and CUT's base in particular – enjoyed significant gains during PT governments with the increase in formal job creation, the expansion of public sector employment, real wage gains in negotiations, etc. Thus, the union central's evaluation was that in the “wholesale” the gains were greater than the losses, including the relative stagnation in the labour rights area.

Finally, we must consider the partisan issue. Even though its participation in the government was not unrestricted, the alliance between the CUT and PT was essential for this support, given the trade union leaders' interest in participating directly in the government, holding positions and composing tripartite forums.

It is crucial to remember that there were significant fluctuations in the PT governments. Therefore, we highlight as two key moments during this period, both of them during Dilma's government, that were evaluated by the union central. In mid-2012, the reduction of interest rates²⁶ was received with great enthusiasm by the union central: in fact, “The confrontation with and reduction of the power of financial capital was the great news coming from Dilma Rousseff's government (...)”.²⁷ During the president's second term, the union central also played an important role in protests against the impeachment of Rouseff. Although it spoke out against some government measures aimed at fiscal adjustment, the union central admitted that: “CUT,

²⁶ This is a measure that is part of the so-called “developmentalist test” referred to by SINGER. “Cutucando onças com vara curta: o ensaio desenvolvimentista no primeiro mandato do governo Dilma (2011-2014)”. Op.Cit.

²⁷ CUT. *Resoluções 11º. CONCUT*. São Paulo, junho de 2012, p.15.

since the beginning of Rousseff's second term, has been advocating in favor of Minister Levy's economic policy changes, marked by a regressive and recessive character (CUT, 2015, idem, p. 48).

Força Sindical in the face of neoliberalism

In the 1990s, Força Sindical (FS) played a decisive role in disseminating the ideological aspects of neoliberalism to the Brazilian union movement.²⁸ Created in 1991 under the auspices of the Collor government, FS adhered to neoliberalism while defending programmatically privatization, deregulation of labour rights and the reduction of social spending, especially through its main union base formed by the Sindicato dos Metalúrgicos de São Paulo – SMSP (São Paulo Metal Workers' Union).

During its founding Congress in 1991, in a clear contrast to CUT's confrontational practice, FS proposed a unionism defined as "pro-capitalist", "modern", results oriented and with a willingness to dialogue. The idea of partnership between capital and labour was one of the principles presented by the new national trade union centre. FS leaders criticized the "notarial" state and its excessive protectionism.²⁹ In its campaign program, the union central was willing to fight for the idea that state-owned enterprises in strategic areas should not be privatized, preserving national sovereignty and patrimony. Nevertheless, it recognized the need to review the state's role in sectors that "only entail losses to the people," as well as "state-owned companies that serve only as administrative featherbedding".³⁰ But, if in the origins of the FS we can talk about reconciliation, the union central's firm adherence to neoliberalism occurred only during the first privatization process, more precisely that of Usiminas and *Companhia Siderúrgica Nacional* – CSN (Steel Producer Companies).

In these events, the FS' national leadership, especially Luiz Antonio de Medeiros, played a decisive role. He was responsible for popularizing for the rank and file the discourse that state-owned companies were merely "administrative featherbedding" and propagated to workers of the companies that would be auctioned, the idea that, if they supported privatization, there would not be only a wage increases, but they would also

²⁸ TRÓPIA, Patrícia Vieira. *Força Sindical – Política e ideologia no sindicalismo brasileiro*. Op.Cit.; GIANOTTI, Vito. *Força Sindical a central neoliberal – de Medeiros a Paulinho*. Rio de Janeiro: Mauad, 2002.

²⁹ FORÇA SINDICAL. "Congresso Nacional de Fundação". Ano I, no. 1, jun. de 1991.

³⁰ Ibid., p.47.

become “partners with capital”.³¹ According to the union central, it would be necessary to dismantle “privileges”, fight productive inefficiency through privatization, dissociation from the state and deregulation policies. In sum, the reduction of state intervention, an increase in private sector intervention and reconciliation between capital and labour would constitute the best recipe against the “broken” development model.

During its first decade, FS served as a support base for the Collor and Itamar governments by disseminating to its rank and file free market vicissitudes, criticism of public services and by proposing and trying to implement the deregulation of labour laws as well as acting in the privatization process of Usiminas and CSN.³²

An intriguing question was presented: what interest then would the rank and file of this union central have in neoliberalism? FS spread a diffuse criticism of the public service, to the notarial state and the developmentalist model and, through this discourse, tried to attract its base – mainly composed by trade unions which belonged to the private urban industrial sector – favorably touting neoliberalism’s supposed benefits: efficiency, productivity, competition, consumer sovereignty and even job creation.

The FS’s support for neoliberalism was not unconditional. Because of the perverse effects of neoliberal policies on their own base from 1995 onwards the union central began to criticize government economic policy and the trade liberalization that led to closing down industries and the explosion of unemployment. Because of this scenario, the union central actually participated in and supported in an unprecedented way some strike actions led by CUT such as the general strike of 1996.

Nevertheless, FS never abandoned its neoliberal theses. For example, given its acceptance of the employer ideology, the union central dealt with unemployment through its management of the FAT’s resources to promote ‘requalification’ courses until 1998, when the Centro de Solidariedade ao Trabalhador (Workers' Solidarity Centre) was created.³³ According to the union central’s view, professional qualification would become the main weapon of trade unions (as training providers) leaving the workers

³¹TRÓPIA, Patrícia Vieira. *Força Sindical - Política e ideologia no sindicalismo brasileiro*. Op.Cit.

³² Ibid.

³³ GALVÃO, Andréia. *Neoliberalismo e reforma trabalhista no Brasil*. Op.Cit; SOUZA, Davisson C. C. *Sindicalismo e desempregados: um estudo comparativo das centrais sindicais do Brasil e da Argentina (1990-2002)*. Op.Cit.

themselves to cope with technological changes and new forms of employment and unemployment.

What was the role of the FS during the PT governments? What was its role when it was confronted with a popular government, whose president had emerged from the ranks of its old antagonists, CUT and the PT?

The two congresses held by FS in the 2000s, in our opinion, demonstrate a slight change in their ideological and political programs. During its 5th Congress, held in August 2005, the central directed its critique to the macroeconomic policy of the Lula government, saying it was in many ways a continuation of the FHC government. At its 6th Congress, held in July 2009, the union central not only assumed its support for Lula's government, but participated in it and, surprisingly, adopted a critical position of neoliberal policies. Was this just an ideological shift or just mere occasional support for the government of the day?

During Lula's first term (2003-2006), it is possible to observe the permanence of an austere macroeconomic policy, but in the second term (2007-2010), this policy combined a set of developmental policies with economic protectionist measures. These measures were evidently, especially in the face of the 2008-9 financial crisis, a favorable scenario for the unions affiliated to FS, which was composed primarily by workers in the private sector.

After that, there were changes in labour legislation, which resulted in the Law 11.648/2008, which officially recognized labour union federations as entities representing workers. In this scenario, FS and CUT worked together and, more than that, become allies. Because of the *Fórum Nacional do Trabalho* – FNT (National Labour Forum), these national trade union centrals decided to defend common causes and, from 2007 onward, the very FS integrated the PT government.³⁴

This alliance caused reactions and divisions in the labour movement in general, and, in particular, within the FS. One result was the creation of the UGT, composed by former participants of *Central Geral dos Trabalhadores* – CGT (National Trade Union Central), the Social Democracia Sindical - SDS (Brazilian Social Democratic Party) and dissident sectors of the FS – such as the *Sindicato dos Empregados no Comércio de São Paulo* (Union of Commercial Workers in São Paulo). The dissidence of the last mentioned entity happened, to a large extent, due to its connection to CUT and the controversy surrounding compulsory contributions under the FNT. Besides

³⁴ In 2007, Luiz Antonio de Medeiros was nominated as the Secretary of Labour Relations in the Ministry of Labour.

the defense of common causes, CUT and FS held joint actions such as acts and unified campaigns for better wages and reduction of working hours to 40 hours per week.

However, economically, it is possible to identify part of FS' opposition to the Lula government. Macroeconomic policy would be the subject of criticism and reactions that culminated in actions, campaigns and the proposition of legislation. But, the criticism of the FS of Lula's macroeconomic policies had no class content and did not identify the dominance of finance capital and agribusiness allied with the industrial bourgeoisie although numerous criticisms were made of financial and tax policies which harmed domestic industry, increased unemployment rise and cut workers' income.

As seen earlier, CUT also directed similar criticism to the economic policies of the PT governments. However, we found some differences in the positioning of the two centrals in relation to the Lula governments. During the period in which CUT had an ambiguous position on the Social Security Reform, it was effectively backing the FS's historical claims, which, since its inception has identified the public service as a source of privileges and "administrative featherbedding".³⁵ The union central's position on social security was exposed and presented to the government at the beginning of February 2003. In order to justify its proposal, FS would repeat the widely disseminated discourses about the privileges and "injustices" related to two issues: the existence of a dual retirement system (public and private) and the high expenses to businesses. In this regard, among other changes, the FS proposed the creation of a single retirement system – which, in fact, would entail the end of retirement in the public sector.³⁶

Another point related to economic policy and criticized by FS, but absent in CUT criticism, was the economic opening to China. Besides FIESP (Federation of Industries in the State of São Paulo), FS expressed its dissatisfaction with Lula's government, which, for recognizing China as a market economy, encouraged massive importation of Chinese products into the country. In addition, in association with FIESP and other employers, FS conducted a campaign for the reduction of the tax burden which, according to the union central, would encourage job creation in the country.

³⁵ TRÓPIA, Patrícia Vieira. *Força Sindical – Política e ideologia no sindicalismo brasileiro*. Op.Cit.

³⁶ It is important to mention that FS is the largest union federation in the private sector while CUT has the large insertion in the public sphere.

However, according to our hypothesis, it is at the political-ideological level that significant changes can be seen in the FS. More precisely, the union central went through an ideological shift in its 6th Congress, in 2009, when it abandoned some ideas and neoliberal principles that guided its foundation and its practice in the 1990s. The 6th Congress occurred in the context of the effects of the international financial crisis, which started in 2008, which induced the union centre to demand protectionist policies and direct severe criticism at the Lula government's economic model and neoliberalism. For FS, the crisis resulted due to the predominance of speculative capital over the productive one, resulting in unrestricted freedom for the movement of capital and a deregulated financial system.³⁷

The 5th Congress also revealed a change in the FS profile. Although it continued as a general representative union central in the private and urban sector, the service sector trade unions and representative institutions for pensioners henceforth became the majority in the central. It is clear that the changes that occurred in the social base of the FS, verified since the 5th Congress, were reflected in its proposals and in its main action plan. On the one hand, issues related to pensioners, such as the campaign against the Social Security reforms and the minimum wage increase, showed the importance of this sector in the composition of the union centrals. On the other, we can say that the employment increase, salary gains and the minimum wage valuation policy, which was also positive to pensioners, benefited the FS rank and file.

However, why was FS allied with the Workers' Party governments? It was for the same reason that the union central, in the past, was allied with Collor and the PSDB governments. FS was a union central that allied itself to the government to secure privileges, but it did not intend to create a party, and despite not being nonpartisan, it did not have politicians with a national reference.³⁸

Only with the emergence of the political party *Solidariedade* – SD (Solidarity Party) in 2013, the FS and SD president, Paulinho da Força, became a major political reference and led the union central in opposition to Dilma Rousseff's government. However, while the SD built a coalition to support Aécio Neves (PSDB) in his candidacy for the presidency in the 2014 elections, FS did not have a clear opinion about which candidate it would support. While Paulinho da Força, FS President, supported Aécio,

³⁷ FORÇA SINDICAL. "Resoluções do 6º Congresso Nacional da Força Sindical", Praia Grande, 29, 30 e 31 de julho de 2009.

³⁸ In the union central, we find leaders affiliated to various parties such as the PT, PSDB and PDT.

part of the leadership and the union central's rank and file would support Dilma. The same division appeared recently in which Paulinho da Força and SD supported the demonstrations for the president's impeachment, while the union central as a whole, which formed part of pro-government trade unions, supported the maintenance of Dilma as president.

Final considerations

How did the main forces in Brazilian trade unionism behave in the face of the neoliberalism? First, we can affirm that neoliberal policies were the vector for the disputes and alliances between the two main Brazilian national trade union centrals in the last 25 years - CUT and FS. The dispute between these union centrals was not constantly polarized: there were moments of convergence, such as that which occurred in 1996 and during the long period of alliances during the Lula governments and the first term of Dilma (more specifically, for the *Fórum Nacional do Trabalho* – FNT (National Labour Forum) until the creation of the SD when the FS itself was divided.

The support/opposition given by CUT and FS to neoliberalism was not unanimous, continuous and without contradictions. Tensions and disputes between the union centrals and within them has even led to a sharp process of dissidence. The entity's position in face of neoliberalism cannot be explained by purely programmatic reasons although the FS's ideological transformation can best explain its closeness to CUT during the PT governments.

The criticism/support of neoliberalism also depends on the interests of workers, who are represented by the base unions of the two union centrals. This explains the reason why CUT, which has many trade unions in the public sector, has never accepted the deterioration that occurred to services and to state employees. It also clarifies why the FS, the biggest union central in the private sphere, has revised some of its positions when the effects of neoliberal policies were felt more acutely by its rank and file.

Finally, it depends on the alliances between the trade union lobby, political parties and governments. CUT is historically linked to PT becoming the Lula/Dilma governments' main basis of support. FS is not partisan, but it has acted primarily as a union central that allies itself to the government in power. This explains, in part, their adherence to neoliberalism during the Collor and Cardoso governments, but also its programmatic shift in the 2000s when it began to support and participate in PT governments.

In short, both CUT and FS acted as an important basis of support for Lula and benefited from nominations to government posts (mainly by CUT, but also in the FS), and participation in tripartite forums as well as being legally recognized as union centrals, which gave them permission to access the resources of the trade union tax. In this context, FS revised its positions and began to criticize aspects of the neoliberal project. Moreover, it is worth mentioning that the members of both union centrals benefited from the increase in formal jobs and salary gains during the Lula governments.

The affiliation/critique made by the two main union centrals to neoliberalism contains limits and contradictions. CUT, an anti-neoliberal union central in the 1990s and in open opposition to the federal government partially criticized the continuity of neoliberalism in the PT governments, but never ceased to be one of its main allies. FS, an earlier defender of the neoliberal platform and allied to the governments that implemented it in the 1990s, revised their theses and got closer to the PT governments during the 2000s. In 2016-2017, CUT integrated the Frente Brasil Popular (Brazil Popular Front) with the slogan “no to the coup” defending the legitimacy of the elected government of Dilma even though it adopted measures contrary to workers’ interests by implementing austerity measures close to the neoliberal orthodoxy.

The trajectory of the Chilean labour movement during the governments of the Concertación. Frame work agreement on strike subcontractors of CODELCO, 1990-2010

Rodrigo Araya Gómez¹

This article aims to analyse the trajectory of the Chilean labour movement during the governments of the Coalition of Parties for Democracy (*In Spanish: Concertación de Partidos por la Democracia – CPPD*). The actions of the Unified Workers' Central of Chile (*In Spanish: Central Unitaria de Trabajadores de Chile – CUT*) to constitute a trade unionism with greater representation at a national level will be the focus of this analysis.

We argue that during the governments of the CPPD, the union movement faced a series of problems, expressed in the loss of relevance of CUT as a political and social actor nationwide. Thus, the conflicts experienced by the unions would be a reflection of the contradictions of the process of democratic consolidation due to the different expectations of change by workers and the objective of preserving social order by the governments of the CPPD as a fundamental requirement to ensure the success of the young Chilean democracy.² That is, the lack of realization of the political and social democratization process influenced the history of the labour movement, which struggled to influence public policies and be also recognized as a valid social actor against other actors such as the business sector.³

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² BOENINGER, Edgardo. *Democracia en Chile; lecciones para la gobernabilidad*. Santiago de Chile: Editorial Andrés Bello, 1997.

³ ARAYA, Eduardo; BARRIA, Diego & DROUILLAS, Óscar. *Sindicatos y políticas públicas en Argentina, Brasil, Bolivia, Chile y Venezuela. Balance de una década (1994-2006)*. Santiago de Chile: Editorial Universitaria, 2009.

Thus, the problems of the consolidation of Chilean unionism are linked to the demobilization of civil society, considered as an effect of the application of the neoliberal model as the policy of de-politicization of the Chilean society carried out by the military dictatorship, which sought to destroy traditional links between political parties and social movements. The dissociation between the political and the social was also stimulated by political dynamics developed by the governments of the CPPD, whose member parties, such as the Socialist Party (SP) or the Christian Democratic Party (CDP), ignored work within social organizations, favouring a type of political practice of an elitist character, which meant they lose their influence within social movements.⁴

Studies on the trade union movement during the governments of the CPPD have been scarce because the academic production on trade unionism focused at first on the effects of the Labour Plan in the union action.⁵ Once democracy was restored, researchers linked to the sector of labour, such as Guillermo Campero⁶ and Patricio Frias⁷, studied the orientations of the unions, included discussions on labour reforms and integration of trade unionism in the new democratic regime. The scarce progress made by the unions in the recovery of their rights led to the development of a critical literature, which highlighted the contributions of foreign authors like Joel Stillerman⁸ and Volker Frank.⁹ In recent years, there have been a number of studies that have analysed the problems of the labour movement due to the continuity of the inherited labour model from the dictatorship, highlighting the contributions of Sebastian Osorio, who approached from a Gramscian

⁴ BASTIAS, Manuel. *Sociedad civil en dictadura; relaciones transnacionales, organizaciones y socialización política en Chile (1973-1993)*. Santiago de Chile: Ediciones Universidad Alberto Hurtado, 2013.

⁵ For a global vision of unionism during the dictatorship, see CAMPERO, Guillermo & VALENZUELA, José Antonio. *El movimiento sindical chileno en el régimen militar chileno: 1973-1981*. Santiago de Chile: ILET, 1984.

⁶ CAMPERO, Guillermo. "La economía política de las relaciones laborales, 1990-2006". Documento CIEPLAN, 2007.

⁷ FRÍAS, Patricio. "El movimiento sindical chileno en el primer año de transición a la democracia' (1990-1991)". Documento de Trabajo N° 84, Santiago de Chile, PET, 1992 and *Desafíos del sindicalismo en el siglo XXI*. Santiago de Chile: CLACSO, 2008.

⁸ STILLERMAN, Joel. "Continuidades, rupturas y coyunturas en la transformación de los obreros de MADECO, SA". *Revista Política*. 44, 2005.

⁹ FRANK, Volker. "Sindicalismo y democracia en Chile: percepciones, esperanzas, novedades y posibilidades". *Revista de Economía y Trabajo*. Year II, n° 4, PET, 1995 and by the same author, "El movimiento sindical en la nueva democracia chilena. Perspectivas de los dirigentes sindicales de base: ¿Hechos o ficción?". *Revista Universum*. n.15, Universidad de Talca, 2000.

perspective the trajectory of CUT during postdictatorial Chile¹⁰ and Antonio Aravena, Daniel Núñez and Sandra Leiva¹¹, among others, who have studied the movements of subcontracted workers in an interpretive framework that refers to the concept of a new social question, to understand the effects of the neoliberal model in the working world.

Bearing in mind the above contributions, this work will focus on the history of the union movement, represented by the CUT, as a political-social actor in a dynamic relationship with the governments of the CPPD.

Unionism in transitional times. Between social dialogue and debate on labour reforms.

At the beginning of the new democratic period, most of the CUT leaders belonged to the CPPD. The Central sought to adapt to the new political context initiating a dialogue with business organizations to agree on reforms to the Labour Code inherited from the dictatorship, parallel to the policy of the Aylwin of holding a social dialogue that would help consolidate the new democratic regime. Thus, there was a moderation in union actions reflected in the abandonment of a class-based discourse and demands solely related to improving the living conditions of workers. This was a policy assumed by the unions linked to Christian democracy and the renewed socialism of the SP. However, this position was not unanimous within the CUT because the sectors linked to the Communist Party (CP) were opposed to the abandonment of the policy of social mobilization, especially taking into account the programmatic definitions of the party, focused on working in social organizations as a way to cope with their position of political marginality and remain relevant at a time when its historical reference, the USSR, was in terminal phase.¹²

These changes in trade union orientations were reflected in the position taken by most leaders of CUT who supported the policy of sustained social dialogue by the Aylwin government, whose first achievement was the signing of the Framework Agreement of April 1990, highlighted by several

¹⁰ OSORIO, Sebastián. *Trayectoria y cambios en la política del movimiento sindical en Chile, 1990-2010. El caso de la CUT, entre la independencia política y la integración al bloque histórico neoliberal*. Tesis para optar al grado de Magíster en Historia, mención Historia de Chile, Universidad de Santiago, 2015.

¹¹ ARAVENA, Antonio & NÚÑEZ, Daniel. *El renacer de la huelga obrera en Chile*. Santiago de Chile: Editorial LOM, 2009; LEIVA, Sandra. "Trabajadores subcontratados en la minería del cobre en Chile". *Revista Trabajo*, Year 5, n° 9, January-July, 2012.

¹² RIQUELME, Alfredo. *Rojo Atardecer. El comunismo chileno entre dictadura y democracia*. Santiago de Chile: DIBAM, 2009.

authors as a key milestone in the consolidation of the Labour Plan. Initially, most of the leaders of CUT and sectors of the leftist CPPD would have supported the restoration of the old labour standards since it meant recovering the rights lost by the enactment of the Labour Plan.¹³ This was clear in the final declaration of the Constituent Congress of the CUT that demanded “that the Labour Code be repealed, imposed by the dictatorship and legislation passed with active participation of the CUT inspired by the principles of worker protection and freedom of association and collective bargaining”.¹⁴

However, an intermediate position was imposed, pointing to a partial reform of the Labour Code inherited from the dictatorship. Thus, the coalitionist leaders of CUT supported the signing of the Framework Agreement of April 1990 in view of reaching a social pact with the government and the business community. Although the Agreement cannot be considered strictly as a social pact¹⁵, but rather as a statement of good intentions, it served to legitimize the neoliberal model on the labour side, as parties renounced a policy of confrontation and assumed the primary role of private enterprise in the country’s development, ideas that constituted a break with the historical project of Chilean unionism.

Now this first reading of legitimacy of the neoliberal model as a result of the Framework Agreement must also be analysed considering the complexity of the union sector, where a strong presence of the extra-parliamentary left remained, especially communist militants who opposed the deal.¹⁶ The Communists criticized the policy of consensus with the right wing and the responsibilities of the government forces in the slow progress of the promised changes, establishing itself as a political force which reflected the

¹³ The Labour Plan consisted of a set of decree-laws dictated in 1979 whose objective was the liberalization of labour relationships and depoliticization of union action, being reduced exclusively to the company level. These regulations divided unions in enterprise unions, intercompany, freelancers and temporary workers, with only the first group of unions having the power to negotiate collectively. The strike would have a maximum duration of 60 days. An overview of the impact of the labour plan in the world of work may be found in RUIZ-TAGLE, Jaime Ruiz-Tagle, *El sindicalismo chileno después del Plan Laboural*. Santiago de Chile: PET, 1985.

¹⁴ Final Declaration of CUT, Historical Archive Foundation Francisco Largo Caballero, Confederal Fund Comisión Executive Committee, signature 002173-002.

¹⁵ ARAYA, Rodrigo. “*El Acuerdo Marco, ¿Un caso frustrado de pacto social?*”. *Tiempo Histórico*. nº 2, Escuela de Historia Universidad Academia de Humanismo Cristiano, 2011

¹⁶ According to a note from the communist newspaper *El Siglo*, union leaders of the party opposed the signing of an agreement with employers because of the refusal of the latter to any changes to the Labour Plan and the wave of layoffs, which was affecting many workers. *El Siglo*, week 6 to May 12, 1990.

legacy of the struggle of Chilean workers, a speech that touched deeply sectors of the Chilean labour movement.

The effectiveness of the social dialogue process was tested in the debate on reforms to the Labour Plan, jointly promoted by the government and CUT, but with substantial differences regarding the matters to change, since the Central demanded the effective right to strike, negotiation by branch and the end to unfair dismissal among other matters, while the government was only willing to improve the legislation. Thus, the discussion of labour reforms represented a milestone in the history of the CUT because it questioned its influence in the areas of power, especially within the government and the parliament. The debate was high between the various actors both because of the refusal of business organizations to modify the Labour Plan and by the insistence of the Central in demanding substantive labour law changes, while the Aylwin government tried to mediate between the two players with the aim to secure an agreement on some reforms.

CUT leaders made several attempts to get support from Congress for their proposals, supported by parliamentarians of union origin. Thus, there were numerous summonses by the Central to the Congress to approve changes to the Labour Plan, even threatening protests if changes were not supported. However, there was no will to interpellate congressmen, who negotiated the reform process according to parliamentary dynamics itself, leaving CUT relegated to an interlocutory role in the social sphere but lacking binding powers. Thus, the discussion for labour reform was centred in the Congress, with no real presence of social actors, who have become mere spectators in a scenario that ceased to belong to them.

After several months of parliamentary debate, the pressure of the rightist bloc in the Senate persuaded the government to accept a counterproposal reform even if it was rejected by CUT, which regarded that most proposals were left out of the debate. Therefore, the negotiation process reflected the limits of the transitional process, as the approved changes were made “to the extent possible”, that is to say, according to the correlation of forces and the current economic thinking, inclined to neoliberalism, but with a different name.

Thus, the result of this first debate was negative for the Central because it could not successfully defend their approaches, losing the political initiative against the government and parliament. Despite this failure, the leading members of CUT refused to change their policy, due to the relationship of loyalty and collaboration established with the government, which led them

to value the obtained changes to the legislation, a position defended by the unions linked to the Christian Democrats and the Socialist Party.¹⁷

However, the debate sparked by the reforms eroded the official leadership of the Central, who were questioned by the leftist extra-parliamentary opposition and a number of union organizations. The official position of most leaders of the Central provoked the departure of a number of organizations that once supported the formation of CUT with the result of a gradual reduction in members. Therefore, the debate over labour reforms put a strain on the Central and divided its leadership, and strengthened the position of the Communist Party, an organization that was slowly recovering in the union world that it had lost after the reconstitution of CUT in August 1988.

The insufficiency of the approved reforms and even the negative effects of some changes, as occurred with the addition of the “business necessity” clause instead of the “without-cause” dismissal, led to new demands from trade unions, which continued to demand changes to the labour laws inherited from the dictatorship. Thus, expectations of change for the trade union movement during the Aylwin government were frustrated by the lack of reforms to consolidate the Labour Plan. In addition, CUT weakened due to questionings of its leadership and the development of a series of processes that demonstrated the existence of a crisis in union activity, such as the reduction of its rate of membership and the coverage of collective negotiation after a brief rise in union activity indicators from 1990 to 1992. These problems showed a phenomena existing not only in Chile, but globally, where unions lost influence as social organizations at the expense of individualistic practices in free market societies, while traditional labour-based leftist parties experienced changes of leaders and militants, as occurred with the Chilean Socialist Party.

Dissatisfaction with labour reforms was reflected in the proposals by CUT to the presidential candidates in 1993, being favourably considered by candidates from the leftist *Movimiento de Izquierda Allende*, Eugenio Pizarro, and Eduardo Frei Ruiz-Tagle from the CPPD. The latter was supported by Manuel Bustos and Arturo Martínez, despite existing disagreements between the Central and the Aylwin government. The candidate Frei Ruiz-Tagle promised to make further changes to labour legislation, an understandable position within the electoral situation, but

¹⁷ In the bulletin *Union y Trabajo*, official organ of CUT, changes to labour legislation were assessed, although considered insufficient. *Union y Trabajo*, Bulletin n°5, November 1990, p. 3.

observers cast doubts on the real will to change according to the political trajectory of the coalition and the continuity of the authoritarian enclaves.¹⁸

The CPPD retained power by the triumph of Frei Ruiz-Tagle while Pizarro, the candidate supported by the Communist Party, counted with a small percentage of votes. In Congress, a correlation of forces remained favorable to the Coalition, although it was influenced by the presence of designated senators, a fact that anticipated difficulties in the compliance of labour promises made by Frei Ruiz-Tagle.

Therefore, at the beginning of the government of Eduardo Frei Ruiz-Tagle (1994-2000), the labour movement found itself in a situation of latent crisis, which increased during the years of the second Christian Democratic president. The absence of a cordial relationship between the Central and the new government became apparent with the failure of the minimum wage negotiations of that year, since the government did not accept the proposal by CUT, sending the readjustment bill without agreement from social actors, a situation which also represented a failure of the almost exhausted social coordination policy.¹⁹ The discontent in the Central was also expressed in its removal from the trilateral commissions, arguing against neoliberal turn of the CPPD governments and showing dissatisfaction with the changes to labour legislation.²⁰ The executive branch, meanwhile, rejected this argument and even seemed to accept the claims from union members to decide to raise a new bill to the labour reform in 1995.

The constant clash of positions between CUT and the government finally took its first political victims in the trade union sector. Indeed, the Bustos leadership, worn out by years of presidency and work with the government, was questioned by the opposition represented by the Communists and by sectors linked to socialism.²¹ Moreover, the proposed new labour reforms introduced in 1995 continued with the dynamics of the previous proposal, that is, they had to be negotiated in Parliament under the conditions of the parliamentary right, which had power of veto to prevent changes that were contrary to their interests, while the CUT tried to pressure the Parliament through demonstrations or public campaigns denouncing parliamentarians opposed to labour reforms.

¹⁸ *La Época*, 13 August 1993, p. 11.

¹⁹ *La Época*, 6 May 1994, p. 4.

²⁰ The trilateral commissions consisted of workshops with economic content that brought together government representatives, trade union and employers.

²¹ In the commemoration of 1 May 1995, Manuel Bustos was attacked by left-wing extremist protesters. *La Época*, 2 May 1995, p.12.

Thus, CUT was unable to obtain positive results in the discussion on labour reforms, which contributed to a breakdown of the rule of the Central during the elections of April 1996. This situation was relevant, because unlike the previous elections, there was no unanimity within the union currents about the presidency of the entity, as had happened with Manuel Bustos, who had exercised leadership in the trade union movement since the late 70s when he presided the Coordinadora Nacional Sindical (National Union Coordinator). The parties linked to the CPPD were on separate lists, a fact that favored the Communist Party, who went upward in relation to its support among working sectors. The Communists aspired to regain their seat in the union movement, protected by base work and electoral successes in social organizations, where they picked up the discontent of sectors disenchanted with CPPD policies.

In March 1996, the Communists announced their proposal to workers, containing various thematic areas with an approach based on their conception of CUT. Thus, the Communists proposed as objectives for the Central: “We promote the need for a class-conscious, powerful, unitary, broad, democratic, representative, pluralistic and unique organization, qualities that should be the conclusion of a collective consciousness that reach workers”,²² and with it they defended the autonomy of the labour movement. Finally, the Communists proposed the formation of strong unions that were able to make their agreements respected by the government and business organizations, moving towards the unity of the unions by industry.

Therefore, there were many factors involved in the internal elections of the Central, even though political influence had diminished compared to the beginning of the new democratic period. The results were favourable to the Communists who upped their number of directors from 10 to 16 while the Christian Democrats fell from 17 to 11 directors and the Socialist Party fell from 16 to 15 directors. The Communists interpreted these results as a triumph by becoming the main political force in the Central, an accomplishment that came to confirm their questioning approach of the model, expressed in the adhesion of sectors that had previously voted for candidates linked to the Coalition.

After complex negotiations, an intermediate formula was reached, by which a socialist leader with little public presence, Roberto Alarcón, was elected president. This was consequence of an agreement between the Communists and the supporters of Arturo Martínez. The new direction would be

²² *El Siglo*, week 8-14 March 1996, p. 14.

temporary, promising to hold elections in 1998, which would be a future factor of instability for the Central.

The change in the correlation of forces had a twofold effect: on the one hand, it weakened the internal cohesion of the Central, with the emergence of a constant antagonism between those linked to the Coalition and the representatives of the leftist trade unions; and on the other hand, it questioned the foundations of the union sector, on which union action was based, as a discussion was held on the legitimacy of the neoliberal model and the continuity of it during the democratic governments, a problem that would be reflected in the debate over labour reforms. Thus, the trade union movement represented by CUT was turning to questioning the neoliberal model, considering formulating an alternative project that considered the historic demands of Chilean unionism, for which it defended the validity of social mobilization as an instrument of struggle, but also being aware that the structure of political opportunities was not favourable to that expression of collective action. Therefore, many times throughout the study period, threats to call strikes remained at the rhetorical level, reflecting a language that some critics would consider as stagnant and outdated.

Finally, we note that the weaknesses and contradictions of the labour movement represented in CUT were again put in evidence during the debate on new labour reforms, a project whose state of discussion remained in the background in the context of a new electoral situation in the 1999 presidential elections, in which the socialist Ricardo Lagos from the CPPD was presented as a candidate. In this electoral context, the government treated with utmost urgency the labour reform bill, which had been stalled in Congress since January 1995, forcing the Senate to vote on it in November 1999. The Frei government's decision attracted immediate rejection from business organizations and in the debate the reforms became polarized between supporters of both candidates because the right wing was strongly opposed to its approval by appealing to the majority it had in the Senate, so that the project was rejected in an intense voting session, which was postponed until the new year. Now, the CUT had no more interference in that debate, which stood at a parliamentary level, where its influence or pressure was lower compared to the employers' organizations. The Central supported the project, rejecting the attitude of employers and some government MPs who were likely to again postpone the parliamentary process.

The position of CUT was expressed by the acting president, the Communist Eitel Moraga who along with other leaders argued that although "the proposed reforms are still insufficient, they consider them at least a partial

advance, warning that its approval does not mean that the Central would stop to insist on a serious and profound reform to the legislation that governs us”.²³ Therefore, the possible rejection or approval of the labour reform bill would not mean that the CUT would renounce its demands for changes, bearing in mind that the forthcoming Ricardo Lagos government announced, in theory, a new political air in the country.

A new CUT? The union movement in the XXI century

The government of Ricardo Lagos (2000-2006), was a milestone for the development of democratic governments, as he was the first socialist president after Salvador Allende. The new Minister of Labour, the socialist Ricardo Solari, maintained a collaborative relationship with the president of CUT, Arturo Martínez, as both shared militancy in the SP. The leader of CUT had managed to be elected president of the Central, in August 2000, replacing the communist leader Eitel Moraga, who was the acting president.

Despite the presence of a socialist militant in the Ministry of Labour, the dynamics of negotiation of labour reform bills did not experience major changes, continuing the transactional logic born in the Aylwin years. That is, the government sought consensus among the actors involved: workers and employers during the pre-legislative work, in order to facilitate discussion in Parliament and subsequent approval of the project. However, this method of working was detrimental to CUT, because both the Central and employer organizations had irreconcilable differences over the so-called “hard reforms”, such as collective bargaining by branch, the end of replacement workers during strikes or the regulation of outsourcing.²⁴ In essence, the approach of CUT corresponded to the pending debt of the so-called transitional process, demands that had been systematically postponed because they would affect the foundations or pillars of the neoliberal model, a reason that would explain the cutting rejection from business to incorporate them in the debate on the reform of the Labour Code.

In addition, an important part of the debate was confined to parliament, a stage that remained immune to possible pressure from social movements, but prone to the practice of lobbying, especially from the business sector. However, CUT leaders themselves established relationships with the government, failing to debate the reforms among its union base, a practice

²³ *El Siglo*, week 26 November-2 December 1999, p.5.

²⁴ According to CUT, “business has blackmailed the government and boycotted the country, to preserve the privileges of the labour plan imposed by the dictatorship which have maintained their full vigilance”. *El Siglo*, 30 March 2001.

that did not stimulate the development of a more active trade union movement.

The debate also raised differences within the CPPD, since the “liberal wing” of the Christian Democrats opposed aspects of the proposed reform, coinciding in their positions with the parliamentary right and the business sector. On the other hand, the employers’ associations developed a strong media campaign against the reforms, also supported by the unfavourable economic context marked by the “Asian crisis” that served to justify the fears of a deceleration in economic activity because of rules that would alter labour flexibility or stimulate the power of the unions.

Finally, the Lagos government supported a bill that would consider the points that were agreed between entrepreneurs and workers, leaving matters where there was no consensus aside, as was the case of the “hard reforms”. Thus, a transitional logic that is not justified considering the changes in the situation was followed, represented in the loss of power of General Pinochet and therefore in the threat of an authoritarian regression, an argument that had been useful to align positions in complex moments of parliamentary discussion. Basically, the type of political practice of the Aylwin and Frei Ruiz-Tagle governments were anachronistic in the new century, a problem that contributed to the separation of the political class from civil society.

The CUT attended, with no power, to the development and approval of the new package of labour reforms in September 2001, a process that generated much criticism against the government senators who supported the business approaches. The secretary general of the Central, the communist Jose Ortiz, declared:

While the current project is less bad than current legislation and that which emanated from the Senate project, the reforms ‘do not meet expectations or the workers or the CUT’, because the more substantive topics remain unresolved, such as eliminations of intercompany strikebreakers and negotiation, and the concept of what a company is is quite diffuse.²⁵

Although the new approved norms constituted a breakthrough, with Frías²⁶ arguing that the new legislation ended the union transition, the continuity of demands for further changes to the Labour Code revealed the dissatisfaction of many working sectors to the policy followed by the Central, a disaffection that contributed to the permanent crisis of CUT.

²⁵ *El Siglo*, 6 September 2001.

²⁶ FRÍAS, Patricio. “*El impacto de las reformas laborales en las relaciones laborales*”. Santiago de Chile, Documento Dirección del Trabajo, 2003.

Now, CUT sought to adapt to the challenges of the XXI century by updating its mission statement, but without renouncing traditional instruments of struggle such as strikes. Thus, the Central began a slow path to social opposition against the Lagos government, despite its socialist militant President Martínez. Given the government's decision to advance in the signing of free trade agreements without considering the opinion of the workers' organizations and suggesting the possibility of studying the application of rules of labour flexibility according to requests from business associations, CUT resolved to call for a general strike on August 13, 2003.

This call for a national stoppage was the first of its kind since April 1989 and marked a turning point in the history of trade unionism, increasingly aligned to anti-neoliberal positions. While the labour movement had no ability to conduct a strike that would alter production processes, it could question the apparent unanimity against the neoliberal model, considered as a key task by the CPPD a decade ago. The strike was carried out despite the dissent of leaders linked to the ruling party and the hostile right wing media campaign. For the leaders, the strike was successful because it had shown a mobilized people, with *El Siglo* remembering the old days against the Pinochet dictatorship.

In parallel to the call for a general strike, there was also a refoundational Extraordinary Congress of CUT, which ended on 24 August 2003. This instance, the highest level contemplated according to the statutes of the organization, aimed to develop and update the statement of principles and platform of struggle according to the changes experienced by the country over the past 15 years since Chile had consolidated its position in the globalized world.

According to reports from *El Siglo*, Congress resolutions determined the rejection of the signing of the Free Trade Agreement with the USA and the support for regional integration initiatives such as MERCOSUR (Southern Common Market). In addition, resolutions argued that “through its actions, CUT must pursue to influence the reorientation of national economic growth and distribution of wealth that would mean greater investment in health, education and social security,” adding that “it is urgent to build a solidarity state for equity, concerned for welfare, democratic, pluralistic and participatory. For these reasons, the Congress resolved to fight to re-nationalize the basic services that were privatized”.²⁷

Finally, the Congress concluded with a resolution that proposed the transformation of CUT into a socio-political movement that would lead the

²⁷ *El Siglo*, n° 1155, week August 29-September 5 2003, p.6.

fight against neoliberalism. Therefore, this instance was important because it placed the Central in a position of clear opposition to neoliberalism, unlike the earlier declaration of 1988, so that the traditional character of unionism was reconsidered as an agent of change, a fact that for some leaders was a regression within the modern definition of unionism while others embraced the deep sense of unionism as a social movement.

Arturo Martinez added that defining unionism as a socio-political movement involved:

persevering for an integral quality-life for workers contemplating the conquest of work and decent wages, the right to health, education, social security. Rights that can only be achieved and exercised in a true democracy, with liberty and justice. Because democracy is not only electing and being elected, democracy also means rights and if they have not reached the people, democracy will not have reached them.²⁸

Therefore, the CUT president referred to a substantial concept of democracy, based on the full enjoyment of economic and social rights by citizens, a goal the Central aspired to reach, while it also openly criticized the problems of inequality that had increased during the democratic governments.²⁹

The conclusions of the Congress pointed to an *aggiornamento* from the Central and an increase in its membership to strengthen the union within an unfavourable context for collective action. However, despite the challenges to the validity of the union as an effective and legitimate tool for defending the interests of workers, the fundamental element of union action, the collective action of a group of people who share certain working conditions, will remain in force and will continue in the next few years with the emergence of new trade unions.

Thus, the concept of the “new social question”³⁰ becomes relevant due to the formation of a new political and social scenario marked by the precariousness of working conditions and the emergence of labour organizations that contradicted the voices that claimed the anachronism of the union. Indeed, we propose that during the first government of Michelle Bachelet (2006-2010), there would be a revival of the labour movement from the base, surpassing the margins of action of CUT itself. Indeed, from the most dynamic areas of the national economy, such as the fishing

²⁸ *El Siglo*, n° 1155, week August 29-September 5 2003, p.5.

²⁹ See GARRETÓN, Manuel Antonio. *Hacia una era política. Un estudio sobre las democratizaciones*. Santiago de Chile: FCE, 1995.

³⁰ ARAVENA, Antonio & NÚÑEZ, Daniel. *El renacer*. Op. Cit.

industry, forestry and mining new representative organizations of workers emerged, who would try to conduct negotiations by branch despite its legal prohibition bearing in mind that the vast majority of them corresponded to subcontracted workers. Therefore, new demands aimed at improving the contract conditions of those considered as second-class workers due to their lack of labour and social rights.

The subcontractors' movements had mixed results according to the collective force they managed to gather: the most successful mobilization of subcontracted workers being at the state mining company, Codelco, which won a number of concessions from the company, while they also created a stable union, the *Confederación de Trabajadores del Cobre* (*Confederation of Copper Workers*)³¹, of great relevance to the present by its impact on a strategic sector of the Chilean economy.

In the face of the union challenge, the state reacted in the traditional way, using, on the one hand, a policy of repression, resulting in injuring and even killing workers, such as the murder of a forestry worker by a police bullet during a clash with the police.³² On the other hand, the first Bachelet government tried to make a new labour reform initiative that was supported by the Minister of Labour Osvaldo Andrade. The project was directed to solve the problems of subcontracted workers clarifying the responsibilities of the parent companies and subcontractors, for which a broad concept of "company" was defended. In turn, the ministry and the Labour Directorate had a more sympathetic position towards the trade union movement, even when they conducted illegal strikes, contrary to the reluctance of the Finance ministry to accept changes in labour questions.³³

This situation was relevant for the labour movement in general, because it put a strain on a political system that increasingly showed signs of exhaustion and the delegitimization of its institutions. However, the action

³¹ The first president of the CTC was the communist militant Cristian Cuevas, who praised the creation of the organization as a milestone, adding "an infinite possibility opens to a new struggle, a new boost to the movement of workers, at the level of our country and especially to end of the insecurity and advance of intercompany collective bargaining and this will do, but is in the legal framework where we will break the locks of the inherited institutions of the dictatorship." *El Siglo*, 15 August 2007.

³² In a stoppage of subcontracted workers in the forest companies, the worker Rodrigo Cisternas was killed by a police bullet.

³³ Rolando Álvarez argued that there was a new situation that contributed to a change in the structure of political opportunities, which enabled the developing of demanding actions by working sectors with scarce unionist tradition. See ÁLVAREZ, Rolando. "¿Desde fuera o dentro de la institucionalidad?" in 'La huelga larga del salmón' and 'Las nuevas estrategias sindicales en Chile' in ARAVENA, Antonio & NÚÑEZ, Daniel Núñez. *El renacer...* Op. Cit., pp. 75-116.

of political authorities continued the logic of the past decade, that is, formation of commissions, dialogue between political leaders and debate within the Congress, so that any changes to labour legislation were softened as had already happened in 1990 and 2001. Moreover, as a symbol of the limits of Chilean democracy, the concept of enterprise approved by Congress that favoured workers, unionized or not, was appealed by two opposition senators to the Constitutional Court, making the definition of Enterprise in the subcontracting law unconstitutional. That is, ultimately, the Constitutional Court became a brake on the demands of the CUT, an organization that in spite of its combative speeches had persisted in their struggles for change through institutional channels.

Despite these problems, CUT renewed its program, outlining in short the installation of a Solidarity and Democratic Social state that would replace the Subsidiary state, a pillar of the neoliberal model³⁴, an essential demand that summarized the history of struggle of trade unionism in the democratic period. It would face a new challenge at the end of the Bachelet government with the return of the right wing to power by democratic means, after 20 years of Central-left governments. Thus, with an uncertain scenario, the Chilean labour movement will face a new challenge, having the political heirs of the military dictatorship as an interlocutor in the government.

Conclusion

Finally, we argue that the evolution of the CUT during the period ranged from a collaborative relationship with the government to a position questioning the neoliberal model. Indeed, in the first leadership of CUT the majority favoured the policy of consensus as a tool to ensure the success of a complex transitional process to democracy while the old power bloc, represented in the figure of Pinochet as army commander in Chief, was still present. Therefore, the demands of the labour movement remained subject to the objectives of governance and the confines of social peace of democratic governments, so that changes made in labour matters were lower compared to the expectations of workers. Thus, this shift is largely explained by the failure in its policy of supporting social agreements and the few achievements regarding changes in labour legislation.

Therefore, the internal crisis of the CUT was a reflection of the problems faced by various social movements, unable to adapt to the new political scenario, but also disappointed in the results of democratization process,

³⁴ *El Siglo*, 25 January 2009, p. 21.

which aspired to be heard and especially be recognized as key players in the new democracy that emerged on 11 March 1990. However, the trade union movement and other social actors maintained a constant struggle to move towards a more inclusive type of democracy, seeking to move the boundaries of the “possible”, in other words, to undo the legacy of an unfinished transition.

What is the nature of the crisis in French unionism? A reading from the perspective of models of production

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Introduction: A somewhat paradoxical crisis in French unionism

The crisis in French unionism has been a commonplace in the literature for decades, to the point that it has become hard to even think about unions in France apart from the crisis that besets them. Objectively, this crisis is undeniable if you go by the trend in membership rates in French unions. In 2010, they represented only 7.8% of French employees and 5% of public employees, the lowest unionization rate in the OECD besides Turkey, whereas the membership rate in 1973 was 23%.

It is true that France has never been a country of mass unionism, for reasons stemming from its history of slower industrialization and from the emergence there of a less urbanized working class than in England or Germany, for example. Additionally, it never adopted the Ghent system, as did the countries of Northern Europe. Still, union organizations have long had an extensive, involved activist base in business and government, and this decline in membership raises concerns.

The image of unions as measured by public opinion polls since the 1970s has also changed over time. This research surveys representative samples of wage earners about their confidence in unions to defend their interest. Though confidence prevailed in the late 70s — more than 6 employees in 10 trusted the unions to defend their interest in 1979² — this level has dropped sharply since then. Just relying on CSA figures, only 4 employees in 10 on average claimed to have confidence in unions during the 1993-2001 period,

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² Baromètre annuel du Conseil Supérieur de l'Audiovisuel, 2004 - 12th wave.

although the level rose back slightly in the subsequent period.³ Compared to the other OECD countries, French employees' mistrust of unions is also more pronounced. Figures from the World Value Survey in 2007⁴ reveal that, although 35% of French employees say they trust the unions (vs. 37% on average in the OECD), 51% of French employees say they have “no confidence” in unions to represent them, vs. 8% in Norway and 20% in Sweden. This last indicator is interesting in that it suggests a sharper polarization in France than in other countries between employees who consider themselves rather well protected by their unions and those who feel rather neglected.

Contrasting these findings with the DARES⁵ data on union presence, we see that despite the decline in unionized workforces in the last two decades, unions have slowly but increasingly set up in more companies and government bodies where they had been absent. In 2005, 56.0% of employees stated that one or more unions were present in their company or government body, as against 50.3% in 1996. And taking as the variable union presence in the workplace, 41% of private and public employees said they were covered by a union in 2005, as against 37.5% in 1996. If the number of members is down over the long term, that does not mean that France is the country where unions have less contact with employees—quite the opposite, since in the most recent period the unions have gained representation in workplaces to a greater degree than the European average.

The debate in France about the (false) problem of institutionalized unionism

Employees' distrust of unions has been a hotly debated issue in France, though not always very scientifically. On one hand, you have lower membership; on the other, an increasing presence in companies and government bodies. A number of analysts and commentators on the crisis in unionism have attempted to resolve this paradox by pointing out the supposedly “excessive” institutionalization of French unionism, and this criticism came from both the Left and the Right. In France, as Karel Yon describes it, institutionalization is often taken in a negative sense, to mean the unions are becoming self-sufficient, closed off and bureaucratic.⁶ Since the 1980s France has seen an endlessly repeated debate growing, in which

³ Ibid.

⁴ World Value Survey (2007), <http://www.worldvaluessurvey.org>

⁵ DARES (DARES REPONSE, 2008)

⁶ YON, K. “Représentation du travail et représentativité syndicale aux marges du salariat: le cas de la distribution directe”. *Travail et Emploi*. n. 31, 2012.

the institutionalization of the unions is thought to be the cause of their crisis of representation. In the view of Pierre Rosanvallon,⁷ if representing workers functions doubly as social agency and social movement, what we see now is an imbalance between social agency, which is to say all social functions inhering in an institutional role that has largely been developed and made self-sustaining, and social mobilization, which has languished. As Rosanvallon sees it, the union is becoming a sort of social civil servant, a quasi-public organization that allegedly no longer has the capacity to be a force in negotiations or grievances. It does not matter if reality undercuts his thesis: the massive strikes of November-December 1995⁸ can be explained as a mosaic of defensive battles and corporate push-backs that hamper the necessary process of making the French economy more flexible, thereby revealing that unionism basically continues to be viewed by certain segments as an impediment to the “modernization” of France. In the opposing camp, Pierre Bourdieu, who was heavily involved in the demonstrations of 1995, called for an overflowing of the unions and the production of new leadership to reinvent anti-free market unionism⁹. But the work that has most sharply questioned the institutionalization of the unions was published by Dominique Andolfatto and Dominique Labbé in 2006, in which they relentlessly attacked the “weakness of the social roots of unionism”.¹⁰ Pointing to “increasingly problematic authority to represent”, they paint the union officials as “professional representatives . . . who no longer have ties, beyond elections, to the employees they are supposed to represent and who now have only a rather theoretical knowledge of the actual situation and of the wants and needs of those employees”.¹¹ One should be aware that the thesis of Andolfatto and Labbé greatly influenced

⁷ ROSANVALLON, P. *La question syndicale*. Paris: Hachette, (1st ed. 1988).

⁸ The 1995 strikes in France against the Juppé plan to reform the social security system and retirement benefits were the largest seen since May 1968. The number of strikes in 1995 was six times greater than the annual average from 1982 to 1994. BÉROUD, S. and MOURIAUX, R. *Le souffle de décembre*. Paris: Syllepse, 1997. Starting in 1995 the first SUD unions were formed in the largely unionized sectors (education, railroads, metallurgy, etc.) by activists leaving the CFDT and the CGT whose orientation was towards producing an organizing tool for structuring battles in the social arena. SUD-Solidaires would manage to unionize 60,000 members—still, far below the so-called historical unions. A new political cycle began in 1995 (the Jospin government, radical reform of the Ligue Communiste Révolutionnaire, etc.), which would culminate in France's No vote to the European Constitution.

⁹ In this regard, see the article by BÉROUD, S. “Un renouveau de la critique syndicale”. *Mouvements*, n° 24, 2002.

¹⁰ ANDOLFATTO D., LABBÉ, D. *Histoire des syndicats (1906-2006)*. Paris: Seuil, 2006; ANDOLFATTO, D. and LABBÉ, D. “La transformation des syndicats français. Vers un nouveau modèle social?”. *Revue française de science politique*. Vol.56, n.3, 2006.

¹¹ Ibid.

French lawmakers, who in the new Union Representativity Law (2008) repealed the “unshakable presumption of union representation” by the five traditional labour federations in favor of a procedure that bases representation on voting, thought to be the best way to bring the union organizations *closer* to their membership and encouraging them to establish themselves on a strong activist base. (See Text Box 1)

Text Box 1: Unionism in France and measuring representativity

In France, until the Union Representativity Law of 2008, five “historical” labour federations were recognized as “lawful” representatives (Decree of March 31, 1966): the CGT (Confédération Générale des Travailleurs, or General Confederation of Workers, the leading French labour organization, founded in 1895, heir to la Commune and the A.I.T.), the CFDT (Confédération Française Démocratique du Travail, or Democratic French Labour Federation, currently the number two organization in number of members, which split off from the CFTC in 1964 and has swung from defending worker management and control by the base to much more reformist, co-management positions currently), the FO (Force Ouvrière, or Labouring Force, which split from the CGT in 1945 with a minority of non-communists), the CFTC (Confédération Française des Travailleurs Chrétiens, or French Confederation of Christian Workers, founded in 1919 in the tradition of Social Catholicism) and the CGC (Confédération Générale des Cadres, or General Confederation of White Collar Workers, created in 1944 by managers and engineers who wanted recognition of their particular jobs in the business economy). Only these unions could sign national or trade agreements, and within a company any trade union affiliated with one of these representative organizations was considered an official representative. Other organizations existed, but with more limited rights. The main ones were the UNSA (Union Nationale des Syndicats Autonomes, or National Union of Independent Trade Unions, founded by five union organizations not in the confederations), Solidaires (which includes the various SUD unions, which split from the CFDT in the late 1980s and lay claim to the worker-management tradition) and the CNT (Confédération Nationale du Travail, or National Labour Confederation, an anarchist group dissenting from the CGT and founded in 1946).

Since the Law of August 20, 2008, representativity has been measured based on the results of employee elections. Union organizations are given

authority to represent if they receive over 10% of the votes at the company level and over 8% at the trade or industry level. These organizations, moreover, must satisfy all six criteria. A labour organization recognized as representative at the national and industry level will be deemed representative of all trades, no matter its level of support in those trades. Following the employee elections of 2013, five organizations that reached the 8% threshold (the five historical organizations) were declared representative at the industry level. The consequences of this representativity are significant, for only organizations so designated are authorized to sit on joint management bodies and sign collective agreements.

Recent empirical studies, however, show another face of institutionalization. Based on a study in the threatened retailing sector, and in contradiction with the analyses that link institutionalization with de-unionization, Karel Yon shows clearly how getting into an institutionalized negotiation process at the trade level, instead of separating unions from their base, has led them to build “bottom-up” support that ended up putting “top-down” pressure on negotiations. These are similar conclusions to those I was able to draw from a long observation work that I made of the nuclear power industry. A struggle by the direct employees of a government organization to set up an on-site CHSCT [health and safety committee] became an opportunity to enter into a union relationship with the subcontracted workers, who then were able to organize and have a say in the companies they respectively worked for.¹² Comparable observations were made with regard to developing unionism in a legal sense—use of employment courts, expert legal reports, use of layoff plans, etc.—which “far from substituting for what was already there, instead supplemented it, while broadening the scope of activity” and the activist base.¹³ Lastly, an interview with Fabien Gâche, CGT union delegate at the Renault plant, clearly shows how the unions might well make use of the CHSCT's expert healthcare reports, for which they have to hire outside consultants, to “de-institutionalize unionism, that

¹² CALDERON, J. “Démantelement de l'autonomie responsable et repositionnement des salariés”. In: Bouquin, S. (dir). *Les résistances au travail*. Paris: Syllepse, 2008.

¹³ WILLEMEZ, L. “Quand les syndicats se saisissent du droit. Invention et redéfinition d'un rôle”. *Sociétés contemporaines*. n.52, 2003.

is, bring it closer to its base and key off the expertise of the employees to contest management's reorganization plans".¹⁴

These experiences in terms of unions using institutions or institutional tools to build an opposing force where there is no union or to encourage greater participation by employees in the actions undertaken by the union put into perspective this notion that union people have somehow settled into place in the institutions. But more fundamentally, the criticism of union institutionalization overlooks the historical aspects of a process that actually preceded unionism itself. In a certain sense, if we track the recent research by historians of law and employee relations, it is not that unionism has been institutionalized so much as the employer-employee relationship, whereby power relationships have been transformed into legal relationships.¹⁵ From this viewpoint, unionism was for very long time a powerful force for including workers in the social, economic and political environment. And the unions established themselves by establishing labour laws¹⁶, which at the same time largely determined what they would become.¹⁷ Thought of in this way, institutionalization cannot be said to be *simply* what separates the union organizations from their social base, but the space in which forces are generated and the relationships, sometimes contradictory, between the unions and the employees are woven. That is to say, the institutions of wage-earners have been both a framework for inclusion and a framework for dispute that has tested, in various historical phases, the sometimes difficult relations between union leadership and a certain, ever-changing class make-up.

Return to an analysis in terms of models of production

The problem of the institutionalization of unionism is in reality a false problem that cannot be resolved in terms of theory, but rather in action. That is, in the ability of unionism to play in a variety of keys, to penetrate sectors hitherto off-bounds and to broaden its scope and its array of actions. To judge from a number of recent union efforts in sectors previously indisposed to collective action¹⁸, these efforts show that the crisis in unionism is not

¹⁴ GÂCHÉ, F. "L'expertise doit venir en complément de l'action syndicale, pas s'y substituer". *Nouvelle Revue du Travail*. N. 3, 2013. Interview conducted by S. Fortino and G. Tiffon.

¹⁵ SUPIOT, A. *Les Juridictions du travail* (in *Traité de droit du travail*, Vol. 8). Paris: Dalloz, 1987; FERRETTE, J. "Au-delà de l'action directe et de l'institutionnalisation, les conseillers du salarié". *Travail et Emploi*. n. 122, 2010.

¹⁶ BORENFREUDN, G. and SOURIAU, M.-A. *Syndicats et droit du travail*. Paris: Daroz, 2008.

¹⁷ Friot, B. *L'enjeu du salaire*. Paris: La Dispute, 2012.

¹⁸ See, for example, in fast food: CARTRON, D. "Engagement dans le travail et dans la grève chez McDonald's". In: DENIS, J.-M. *Le conflit en grève? Tendances et perceptions Workers of the World*, Volume I, Number 9, May 2018, p. 79-92

basically a problem due to spinelessness. The point is not to deny there is a crisis, but to think within the power relationships that underlie economic arrangements¹⁹, which assumes, among other things, imagining the unions in an institutional framework where they strive to maximize the resources available. To do this, it seems to me essential to return to an analysis of unionism in the context of the transformations of production arrangements that France has undergone in recent decades. We possess, moreover, a rather significant body of research and analysis about the transition the French economy has made towards a model of production based on a seeming intensification of work and that tries to articulate labour relations on the premise of reconnecting the workload and the wage earned.²⁰ These strategies actually reflect in their thinking a disciplining of the workforce in a way that requires informalizing, or de-institutionalizing, the wage relationship—a necessary condition for which is weakening the union.

Analysing the institutionalization of the wage relationship from the perspective of models of production allows us to broach the contemporary union crisis in a different way. This institutionalization by degrees²¹ had made possible a socialization of the wages, i.e., a formal separation between

de la conflictualité contemporaine. Paris: La Dispute, 2005; in luxury hotels: GUIBERT, P., LAZUECH, G., TROGER, V. “Les femmes de chambre de l’hôtellerie de luxe ou le déclassement d’une élite invisible”. *Formation Emploi*. n.123, 2013; in home care providers (April 2009) and the strikes by undocumented workers: BARRON, P., BORY, A., CHAUVIN, S., JOUNIN, N., TOURETTE, L. *On bosse ici, on reste ici ! La grève des sans-papiers, une aventure inédite*. Paris: La Découverte, 2011.

¹⁹ SALAIS, R. “Conventions de travail, mondes de production et institutions : un parcours de recherche”. *L’Homme et la société*. n. 170-171, 2008.

²⁰ DURAND, J.-P. *La chaîne invisible. Travailler aujourd’hui : du flux tendu à la servitude volontaire*. Paris: Le Seuil, 2004; BOISARD, P., CARTRON, D., GOLLAC, M. and VALEYRE, A. *Time and work: work intensity*. Luxembourg: Office for Official Publications of the European Communities, 2003; BOYER, R. and FREYSSINET, M. *Les modèles productifs*. Paris: La Découverte, 2000.

²¹ In France this institutionalizing was at first done within the company, with staff representatives (1936), works councils (1945) and union delegations (1968). But in France it very early became associated with the “creation of two-party and three-party co-management bodies enabling the unions to take part in the political life of the country”: CAIRE, G. “Syndicalisme”. In: *Encyclopedia Universalis*, 2008. Unionism then became an integral part of the welfare state. It involved itself in “handling governmental matters (*Comité économique et social régional* or regional economic and employment committees), quasi-public matters (Social Security, the *Caisse d’allocations familiales* or child benefits agency)”: BOUDESSEUL, G. *Vitalité du syndicalisme d’action: la CFDT de Basse-Normandie*. Paris: L’Harmattan, 1996. It was also involved in an array of organizations across the nation: “the *Conseil économique et social* (economic and employment council), the ‘Plan’, the *Commission nationale de la négociation collective* (national collective bargaining commission) and the *Conseil supérieur de la fonction publique* (civil service board)”: MOURIAUX, R. *Le syndicalisme en France*. Paris: PUF, 2009. Mouriaux, 2009). This collaboration did not occur without counterparties, of whom the unions took a certain advantage’. See CAIRE, “Syndicalisme”. Op.Cit.

the wage received and the individual workload, which in reality was consistent with an accumulation regime based on relative surplus value. That is, the gradual development of institutional wage bargaining fit with work arrangements whose guiding principle was to increase worker productivity.²² The economic crisis of the 1970s, in which the real value of the labour force fell below legally established wages (owing to the decreased cost of reproducing the labour force, to decreased productivity and more), had made this one-size-fits-all manner of setting working conditions dysfunctional; and as we know, the statutory value of wages was adjusted to the actual value of the workforce by deregulating the labour markets. The new, lean model of production that has gradually come to pass is constructed on an intensification of labour as its organizing principle. Specifically, the strategies of businesses have consisted of re-organizing production processes by breaking them down into simpler tasks and by outsourcing entire jobs to other industries (subcontracting) or other geographic regions (off-shoring) to take advantage of new forms of hiring permitted by the successive reforms to the labour code.

In other words, the gradual change in the model of production since the 1970s produced a heterogenization and polarization of workers' terms of employment—between, on the one hand, a segment of workers with stable employment, legal protections and good representation by the unions and on the other hand, an increasingly populous segment of peripheral workers who were cut of collective bargaining and whose terms of employment were “negotiated” individually when they were hired.

By this analysis, it is not so much the institutionalization of French unionism that lies behind its crisis as the de-institutionalization of the wage relationship, one of the conditions of which seems to be the weakening of the union itself. The unions find themselves in a situation where they alone are opposing an increased riskiness in labour relations that, while distancing them from the peripheral segments of the workforce, is locking them into defensive positions.

Unionization and efforts to individualize labour relations

The extension of the “netlike firm”²³ or the “SME-ization”²⁴ of the great diversified multinational corporations makes it possible to characterize this process simultaneously as business concentration and downsizing,

²² BOISARD, P., CARTRON, D., GOLLAC, M. and VALEYRE, A. *Time and work: work intensity*. Op.Cit.

²³ DURAND, J.-P. *La chaîne invisible*. Op.Cit.

²⁴ VELTZ, P. *Le nouveau monde industriel*. Paris: Gallimard, 2000.

outsourcing and division into autonomous, market-oriented units, which have greatly contributed to a reduction in membership rates and in union presence in companies.

The workers in public organizations have been privatized. Excluding finance, these employed 7.8% of the workforce and generated 11.5% of value added in 2000. In 1985 their influence was measured as 19.3 % of the workforce and 25% of value added.²⁵ Private sector employees today work for larger corporations than they did thirty years ago. These corporations include one or more businesses (making what is called a group), which themselves include one or more sites. But if companies as centres of decision-making and strategy setting have grown larger with time (along with growing more remote from the influence of the employees), the same is not true of job sites, which are now smaller. Companies have grown, then, by assembling more and more sites or facilities. Thus, employees now work at smaller production facilities (the sites), but belong more often to a very large organization (the company). In 2006, 33% of employees worked in a company of over 1,000 employees as compared to 27% in 1985. Against that, 38% worked at a site of less than 20 employees compared to 34% in 1985.

The development of large organizations went along with the many transformations in the French economy, including the increased fraction of service sector jobs. While the large industrial sites were declining, the large services companies have boomed. Now, every industry has its own way of organizing; and service sector sites are smaller than industrial ones, so the average size of job sites has decreased. Nevertheless, between 1979 and 2006 these sites have increasingly been merged into large corporations.²⁶

With a general trend towards concentration, three major sectors illustrate differentiated structural changes: manufacturing, which has lost employees every year for 30 years (since 1978, 150,000 jobs have been created on average each year in retailing and wholesaling while 60,000 were lost in manufacturing), business services, which since 1979 have shown great growth due to IT and the outsourcing of support staff (cleaning, accounting, R&D, IT, advertising, etc.) and, thirdly, retailing, which has been completely made over by the emergence of the big box stores.

These three sectors accounted for 7 million employees in 2006. In the other sectors, which are food, energy, construction, wholesaling and automotive

²⁵ INSEE, 2002. www.insee.fr

²⁶ INSEE, 2008. www.insee.fr

sales, other business services, personal services and finance and real estate, the same changes are underway, with a few specificities. Thus, for example, the finance and insurance sector is the most concentrated. Manufacturing and information/communications are organized into large companies. SMEs including micro-enterprises (i.e., companies of less than 10 employees) employ the majority of employees in personal services.²⁷

These changes have not been without effects on union membership and union presence in companies. We know, for instance, that unions are more strongly established, relatively speaking, in the public sector. From 2001 to 2005, with 15.2% of workers unionized, the unionization rate in the public sector is three times greater than in the private sector, where it is 5.0%. Of every ten unionized workers, five work in the public sector, four in the private sector and one in a government organization. Similarly, there are proportionately more employees in the public sector than in the private sector who say there is a union at their workplace: one in two in the public sector and one in three in a private company. But taking a closer look, the gaps between the public sector and the private sector have to be put in perspective. The greater unionization of government workers is partly explained by the size of work sites in this sector. In the public sector (civil service and government-owned organizations taken together), the portion of large sites is greater than in the private. But whatever the sector, the bigger the site, the more likely a union presence. In reality, in facilities of over 100 employees, the proportions of employees belonging to a union are nearly the same in the public and private sectors. On the other hand, in facilities of less than 100 employees, employees belonging to a union at their workplace are proportionately much less numerous in the private sector than in the public sector and government organizations, at 15%, 39% and 58% respectively. Though the presence of unions is lower than in the public sector, this is because more than two employees in three work in facilities of less than 100 employees.

Presence of a union in the workplace

By size of site (2001-2005)

	Civil Service	Gov't Organizations	Private Companies
Under 10 employees	15.0%	17.0%	2.4%
10 - 49 employees	34.7%	57.9%	16.0%
50 - 99 employees	64.9%	77.2%	43.6%
100 to 499 employees	73.5%	80.6%	64.8%
Over 500 employees	75.5%	87.8%	79.3%

Sources: Ongoing surveys on household living conditions.²⁸

²⁷ INSEE 2008, 2010, 2011. www.insee.fr

²⁸ INSEE 2006. www.insee.fr

The presence of unions and whether employees belong to them are also explained by the way the trades are structured in relation to each other within the different sectors. In industry and banking/insurance, employees are represented by unions at their workplace in proportions comparable to those in the public sector. In industry, 54% of employees state there is a union at the workplace, even though few of them are members. By contrast, in personal services or business services, where small sites are very common, few employees are represented by a union at their workplace, and despite the unions' activities and demonstrations in the sectors described above, the unionization rate is lower. Traditionally unionized to only a small degree, retailing and construction industries are the sectors where unionization rates are lowest, at 2.8 % and 2.2 % respectively. These latter two sectors, moreover, are ones where business survival rates are lower and which, along with transportation and personal services, have experienced the most massive growth in self-employment (1 million people had this status in 2014²⁹).

The fluidity that has gradually taken over work and employment has brought with it a gradual dissolution of the border between work and personal life: tele-commuting, flextime and part-time, for instance—all forms and fashions of these new, fluid and hard-to-regulate work arrangements that impede or tightly restrict broader unionization. It is not surprising that all these transformations have been accompanied by the appearance or dissemination of various forms of work intensification, which came late to France but faster than to other European countries. It took place in the latter half of the 1980s due to increased competition among employees, from persistent high unemployment and de-unionization.³⁰ The multiplication of constraints placed on the pace of work was central to the transformations of economic relationships and business management. According to a survey by the French Ministry of Labour and INSEE on working conditions, the fraction of employees saying that their pace of work depended on an external request needing to be filled immediately went from 28% in 1984 to 54% in 1998. At the same time, the fraction of those whose pace depends on the automated movement of a product or part, on the

²⁹ The legal category of “self-employed individual”, which is not unlike the Spanish “independent worker”, was created in 2009. At the border between wage-earner and freelancer, it actually serves as a tool for managing under-employment and often allows customers to cloak dependent relationships while outsourcing costs to the self-employed person. See in this regard, ABDELNOUR, S. “L’auto-entrepreneuriat : une gestion individuelle du sous-emploi”. *La Nouvelle Revue du Travail*. n. 5, 2014.

³⁰ GOLLAC, M. and VOLKOFF, S. “Citius, altius, fortius. L’intensification du travail”. *Actes de la recherche en sciences sociales*. Vol. 114/1, 1996, p.55.

automatic rate of a machine, on production standards or daily (or less) time limits, or who worked on an assembly line increased from 23% to 45%. And the number of people whose work rate was determined by management oversight, the needs of co-workers or the vagaries of the production process increased in a similar fashion.

As Gollac and Volkoff wrote: “The weakness of the unions and the limited ability of employees to express themselves not only prevent them from opposing manpower reductions and increased work rates, they also worsen working conditions after organizational changes carried out in complete ignorance of the realities of the work”.³¹ *Citius, altius, fortius*³²—this is the Latin motto Michel Gollac and Serge Volkoff use to describe the demands of management on their employees. Workers with more endurance, involvement and enthusiasm. And if possible, not too unionized. Since 2003, we have stopped keeping statistics on union suppression by companies. However, we do know, for example, that 25% of sites with over 20 employees have no representative bodies for employees. This means that in France nearly one employee in five has no representation at his or her company. This is also the case in 10% of sites with 50 to 100 employees. Either the employer did not set up elections, which is illegal, or no list was presented. The existence of anti-union pressures also comes up in monograph surveys conducted in small and medium enterprises. According to the barometer of workplace discrimination created for the *Défenseur des Droits* (French ombudsman) and the International Labour Organization (ILO), in 2013 48% of private sector employees and 37% of civil service workers thought it was a disadvantage to be unionized.

Change in union activity over time and the problem of “negative freedom”

Union activity in companies was greatly disrupted by the remoteness of corporate decision-making as well as by changes in corporate governance. The gradual privatization of business capital and the expansion of equity financing since the early 1980s put an end to “managerial capitalism”³³ in favor of strategies whose purpose is to meet the constraints of competition and return on equity. The unions have therefore found themselves deprived of a means during negotiations to weigh in on company strategy. These highly unequal relationships have moved union activity, on the one hand,

³¹ Ibid., p.56.

³² In English: Faster, higher, stronger.

³³ BACHET, D., FLOCCO, G., KERVELLA, B., SWEENEY, M. *Sortir de l'entreprise capitaliste*. Paris : Éditions du Croquant, 2007.

towards monitoring working conditions and changes in the work (relations with supervisory personnel, improper penalties or dismissals, unpaid time, difficult conditions, etc.), thereby considerably helping to move the core of union efforts from the works council to the health and safety committees (French acronym: CHSCT); and on the other hand, the gradual deregulation of traditional labour law and social law has created a broadening of union responsibility in a number of areas that hitherto were not negotiated within the local site: arranging work schedules, individualized pay, job classification, ongoing training, supplementary retirement, etc. This importance of collective bargaining at the company level is explained in part by an aspect particular to France, where an agreement may under certain circumstances supersede the law. This French particularity received a decisive push when the Aubry Law concerning the 35-hour week was first applied, as it provided benefits to companies that signed an agreement.

But the agendas of negotiations are very largely decided by management, which sets the content of the negotiations and forces the unions into often defensive postures. Unions are increasingly pushed into a corner, whether on the shop floor or in site or company negotiations, standing up to the slightest wrong to the employees. I remember having done a survey in a metal-working company in which the staff representatives had petitioned to have a timer installed so they could prove that the work rates that the workers at their stations had to endure were intolerable. When the demands of management are hard to meet, the union organizations can bet on a broadening of the demonstrating activities, often trying to get their struggle onto media to attract public and media attention. The experience of workers at Cellatex, a factory under court-ordered liquidation whose workers threatened to use chemicals to blow up the plant and pollute the Meuse River, exemplifies the combativeness that often overcomes company negotiations and how the employees and their representatives are themselves in a highly unfavourable position. The relative success of this experience (the employees were able to obtain more significant assistance programs) inspired other types of action such as the marches of Lorraine workers and the confinement of bosses, which for the first time in many years resulted in a court order, sentencing 8 employees of the multinational Goodyear to prison terms. This was largely reported in the union press as an unprecedented intent to criminalize union actions in a country that for years has been judicializing labour relations.³⁴

³⁴ PÉLISSE, J. “Judiciarisation ou juridicisation ? Usages et réappropriations du droit dans les conflits du travail”. *Politix*. n. 86, 2009.

Nationally, after the failed reforms of 1995 and the so-called First Employment Contract (Contrat Première Embauche, CPE), in 2006, the major national reforms have very much been part of the discussion in what is called “the social dialogue”. In accordance with the Law of January 31, 2007 known as the Larcher Law, before preparing a bill affecting labour law, the government must call in employer and employee representatives to consult on the topics in question, to negotiate, if they wish, an agreement, the contents of which will be included in the bill submitted to Parliament. In the event, the unions act as “pre-legislators”. This prerogative has resulted in a large number of laws over the last few years, having to do with reform of the labour market, occupational training and union representativity. The problem, of course, is that the unions do not necessarily choose the areas in which they must get involved and are often in the position of having to soften “reforms” whose effect on employees would have been much more severe had the unions not participated in these pre-legislative committees. Furthermore, and given the disintegration and discordance of the unions, the government retains very broad leeway on these committees. It was not surprising that as a presidential candidate François Hollande made “constitutionalizing” the Larcher Law—i.e., the “social dialogue”—part of his platform.

Unionism in France has always been a force for liberal democracy, but it finds itself today in a position where its participation in the various places where negotiations are carried out legitimizes the systematic attacks on labour law and social law. Even so, should unionism give up on profit sharing and co-management, as Pierre Bourdieu asked in 1995, to “transform itself into an agent of disruption and anti-free market criticism, thereby rediscovering its original nature”? If it is true that co-management opens it up to increasing porosity to the dominant ideology, rejecting participation in the system condemns it to accepting its own marginalization by the great majority of wage earners.

Trade union renewal and responses to neo-liberalism and the politics of austerity in the United Kingdom: the curious incubation of the political in labour relations

*Miguel Martínez Lucio*¹

This article discusses the developments and challenges facing the UK's trade union movement in a context of increasing globalisation, neo-liberal state strategies and economic austerity. The challenges facing the movement have been highly significant and multidimensional,² and in the UK the greater emphasis on neo-liberal policies since the 1980s and a lack of consistent support and on-going changes in terms of the state regulation of collective and individual rights means that trade unions have faced a significant challenge compared to other OECD and comparable northern European states. Whilst there are significant signs of trade union renewal and a range of responses across specific questions – and an on-going transformation of how trade unions organise and coordinate in the face of neo-liberalism and austerity – the outcomes of such strategies and repositioning are not clear. In this article, I will argue that the trade union movement exists in a hyper-globalised context and within a political system that has been highly problematic for the rights of workers. Despite the fact that since 1979 there has been a range of right-wing and systematically anti-trade union governments, there were also 13 intervening years of social democratic government. The on-going challenges of a fragmented workforce and economy which is controlled and regulated through various complex international networks have brought real dilemmas to the

¹ The University of Manchester.

² MARTINEZ LUCIO, M. "Trade Unionism and the Realities of Change". In: ALONSO, Luis Enrique and MARTINEZ LUCIO, Miguel, eds. *Employment Relations in a Changing Society*. London: Palgrave Macmillan, 2005.

movement in terms of how it seeks to plough a more progressive and socialist furrow within the UK.

I start with a brief review of this highly globalised and corporatized context. I then look at how over the past half-dozen or so years especially, the trade union movement has, in the words of Gumbrell-McCormick and Hyman,³ tried to reimagine its role and developed responses to the current context. This has built on an on-going context of trade union renewal and modernisation that has underpinned some of the significant developments in terms of a community and organising direction within its strategies. McIlroy⁴ in his review makes a point that we need to put these responses into the context of the on-going trade union changes that began before the current crisis. I deepen this argument further by showing how the lessons learnt from the 1980s and 1990s configure the responses of organised labour. In this context, the role of the political and the absence of any significant support from the political Right or the social democratic traditions is key. However, the emergence of a new set of left-wing coalitions around and within the trade union movement – of which the election of Jeremy Corbyn to the leadership of the Labour Party is an example – means that there were possibilities of a new political counter-climate that was more sensitive to trade union needs and roles regardless of the stability and sustainability of that ‘left’ project within a social democratic framework.

However, I will argue that the uneven leadership of a discourse of anti-austerity within the trade union movement and the fragmented nature of its responses remain significant issues in the configuration of what are in fact weak counter-politics to austerity. The inconsistency or lack of coordinated strategies around alternative workplace and community dimensions also weakens the more systematic response to government policies, although there have been a range of mobilisations, new forms of conflict and general responses across many trade unions. The uncertainty and internal differences within unions and across them mean that many of the innovations and responses have been uneven and at times inconsistent. The main challenge though has been the nature of the assault on workers’ rights and the move to forms of employment in terms of permanent stable work (extensive performance measurement and surveillance) and unstable

³ GUMBRELL-MCCORMICK, R. and HYMAN, R. *Trade Unions in Western Europe: Hard Times, Hard Choices*. Oxford: Oxford University Press, 2013.

⁴ MCILROY, J. “Britain: How Neo-Liberalism Cut Unions Down to Size”. In: GALL, Gregor, WILKINSON, Adrian and HURD, Richard. *The International Handbook of Labour Unions: Responses to Neo-Liberalism*. Cheltenham: Edward Elgar, 2011, pp. 82–103.

employment (the on-going use of much individualised forms of employment such as zero-hours contracts). Added to this has been a political strategy from the Right that has, on the one hand, further developed policies and legislation of an anti-trade union nature and, on the other hand, literally stolen policies from the Left, redefined them in neo-liberal terms and undermined the social criticism of the neo-liberal state (e.g. the redefining of the living wage). Nevertheless, the trade union movement remains highly innovative and broader in its social and political direction when compared to the past, although the argument in this paper is that innovation has serious limitations and can become an end itself. What is more, the absence of a supportive political dimension, irrespective of the formalised link with the Labour Party, has meant that trade unions are more isolated and have to create their own political 'eco-spheres' to represent workers more fully. In addition, the impact of globalisation has been contradictory because, although it has on the one hand been a development that appears to have revitalised the innovative and international dimensions of trade union activity, on the other hand it has led to further forms of fragmentation and coordination challenges at the national level.

The context: the UK as a modern Mordor?

The UK has always been a highly internationalised economy due to its imperial dimension which in the main continued until the 1960s, although it still has a strong neo-colonial presence in various parts of the world. Its system of capital has had, and has, a broad extensive reach beyond the nation itself. The position of multinationals in chemicals, pharmaceuticals, defence industries and banking have been an important feature of the economy. In the 1980s, the neo-conservative government under Margaret Thatcher developed a systematic approach to privatisation in key sectors such as telecommunications and energy utilities which has continued in various forms up until the present day. Globalisation was more inward in its direction as a range of key aspects of the economy such as electricity, telecommunications, airports, railways, car manufacturing and others became exposed to a more globalised and foreign system of ownership and control. In effect, large parts of the economy became directed externally, irrespective of the systems of regulation put in place by the state. In a recent book, Colin Crouch⁵ has shown how financialisation and privatisation has

⁵ CROUCH, C. *The Knowledge Corrupters: Hidden Consequences of the Financial Takeover of Public Life*. Cambridge: Polity Press, 2015.

impacted on British society and the state, creating a challenging set of corporate networks and problems of accountability.

Trade unions have opposed many of these privatisations and processes of commercialisation since the 1980s through a range of campaigns; yet they have not been able to halt their development and, during the (New) Labour Government of 1997–2010, the belief in privatisation was significant and unassailable.⁶ The obsession with management education and *managerialism*⁷ was a defining feature of the Tony Blair and Gordon Brown Labour Governments of that period, with Brown and his economics minister Alistair Darling taking up prominent positions within international financial corporations in 2016. The cult of the market has been a common feature of nearly all countries, but in the UK it has been a significant feature of its left politics with its requirement and belief that successful governments have to be ‘pro-business’ if they wish to be seen as credible and ‘electable’.⁸

What is more, since the 1980s there has been a greater move to outsourcing in terms of the private sector, along with the use of employment agencies.⁹ In the public sector, the use of outsourcing for catering, cleaning and information technology has been intensified, with increasing parts of the public health services being pushed into the private sector on the basis of a contracting model.¹⁰ This has led to greater fragmentation in terms of services and employment. The growing use of a more vulnerable workforce in these areas of work (migrant, poorer elderly, and disabled workers for example), and a greater presence of practices such as zero-hour contracts, are increasingly apparent. What is more, within the workplaces of more permanent or stable workers, we have seen an extraordinary use of performance management regimes and management-led surveillance.¹¹

⁶ FINLAYSON, A. *Making Sense of New Labour*. London: Lawrence & Wishart, 2003.

⁷ Ibid.

⁸ During the election for the leadership of the Labour Party, most candidates argued this, such that even the left alternative had to engage with the concept, albeit from a more alternative perspective.

⁹ MACKENZIE, R. and FORDE, C. “The Myth of Decentralization and the New Labour Market”. In: ALONSO, Luis Enrique and MARTINEZ LUCIO, Miguel. *Employment Relations in a Changing Society: Assessing the Post-Fordist Paradigm*. Op.Cit., pp. 69–85.

¹⁰ BOWMAN, A., ERTRUCK, I; FOLKMAN, P; FROUD, J; HASLAM, C; JOHAL, S; LEAVER, A; MORAN, M; and TSITSIANIS, N. *What a Waste: Outsourcing and How it Goes Wrong*. Oxford: Oxford University Press, 2015.

¹¹ Since the early 1980s we have seen a systematic fall in the levels of organised labour caused by and in general accompanying the changes outlined above. Trade union membership has virtually halved since 1980, from about 12 to under 6 million during that period, although 1980 did represent a peak in some respects and the outcome of two decades or so of substantial growth.

The Labour Governments mentioned earlier did not pursue a strategy of revoking earlier legislation that made it much more difficult for trade unions to engage with industrial conflict and passed what seem to be laws that minimally supported the recognition of trade unions within the workplace.¹² The general thrust of policy was that trade unions were not a major feature of the economy and of society, with their political influence steadily being reduced, although not eliminated, within the Labour Party. There were attempts at creating a more commercially oriented business unionism and system of social dialogue with businesses, but these were premised on not strengthening the trade union side of the equation in terms of regulation.¹³

This has led to an intensification of trade union mergers as they tried to share their facilities and coordinate and organise a more disparate workforce.¹⁴ In fact, in terms of collective action, the focus in the past five or so years has been mainly in the public sector, with the private sector registering some of the lowest levels of industrial conflict in the country's history, suggesting a more business focused or partnership based system in that sphere. This created significant organisational tensions in some cases, where different trade union cultures and worker traditions and identities were brought closer, which, as we will discuss later, has led to the emergence of a more coordinated and focused approach, in some cases, both in terms of sector politics and political identity (e.g. the case of the trade union UNITE).

Yet, the situation since the beginning of the Great Recession of 2008, the election of a centre-right coalition in 2010, and a solely right-wing government in 2015 has brought a new challenge to the labour movement. This has focused on reducing public expenditure in social terms and restructuring large parts of the state. There have been further moves to the deregulation of public service provision in health and local councils. It has questioned the boundaries of the private and public with an eye to internationalising ownership of key parts of the UK economy. It has reinforced the vision of a contract state, with some local city councils seeing themselves as contractors of services offered and supplied by transnational

¹² GALL, G. and MCKAY, S. "Facing 'Fairness at Work': Union Perception of Employer Opposition and Response to Union Recognition". *Industrial Relations Journal*. Vol. 32, n. 2, 2001, pp. 94–113.

¹³ MARTINEZ LUCIO, M. and STUART, M. "Swimming against the Tide: Social Partnership, Mutual Gains and the Revival of 'Tired' HRM". *The International Journal of Human Resource Management*. Vol.15, n.2, 2004, pp. 410–24.

¹⁴ It should be noted that these financial considerations have been a major driver of union reorganisation through the use of mergers.

corporations. In effect, it has intensified the emergent neo-liberal policies of the 1980s which were incubated and partially developed in the intervening right-leaning social democratic period.

The new approaches to struggle: new forms of conflict and alliance building

So how have trade unions in the UK begun to respond to these developments? First of all it will be difficult to capture this in such a short space of time so there may have to be some generalisations and broad examples, though we will be able to see the wider manner in which responses have taken place.

Mobilisations have been significant at the national level around specific demonstrations and marches – normally held on non-working days and in the centre of larger cities. These have been organised through the National Trade Unions Confederation in alliance with specific movements that have emerged against the public cutbacks initiated by the government since 2010. They have been significant in some cases, as in the London demonstration of 26 March 2011 – the ‘March for the Alternative’ – with estimates ranging from a quarter to a half a million individuals. Alternative economic arguments were presented by various trade union organisations which countered government policy on the need for reductions in state expenditure in the face of the fiscal crisis. Such mobilisations have not been common or consistent. Some argue that there was a concern that such demonstrations – especially when they broke down into rioting or acts of violence against banks, perpetrated by a minority – could have a negative electoral impact on the Labour Party. The media in the UK kept focusing on these specific features of the demonstrations, which is common in the depicting of industrial relations issues.¹⁵ Others argued that there was concern as to whether the high numbers could be kept up, with any decrease being perceived as a decline in the opposition to the government. It needs to be said that these large scale demonstrations have not been that common with the focus being on smaller regional level demonstrations.

Short one-day strikes have been seen in local government/council organisations involving various types of public sector workers, as in the 24-hour strike on 10 July 2014, which was one of the largest in that sector’s history. We have seen a range of public sector workers, from teachers to

¹⁵ See the right-wing newspaper the *Daily Mail* for 29 March 2011 as an example of this narrative: www.dailymail.co.uk/news/article-1370468/TUC-anti-cuts-march-200-arrested-protesters-cover-Trafalgar-Square-graffiti.html?ito=feeds-newsxml.

local city council administrators, having their pay reduced in real terms, pension conditions changed, and working conditions worsened by the impact of restructuring. Increasing levels of disputes in terms of local transportation, such as with London Transport, have been common throughout the past few years and have addressed the cuts in the provision of services and changes to them and attempts to reduce staff. In the area of private sector transportation, British Airways has witnessed a series of disputes on pay and supplements as managers have aimed to shift the culture and create different conditions for entrants and incumbent staff alike. In the case of the national postal service, the Royal Mail, which was privatised during the 2010–15 coalition government, disputes of an unofficial nature emerged around the treatment of local staff, the use of disciplinary procedures and the general culture of management bullying within the organisation.¹⁶ The steady radicalisation of public sector trade unions that had started – very generally – in the 1970s has continued, although these disputes are both national and local in orientation, given the nature of the employers. On the other hand, the level of collective action in 2015 in private sector manufacturing was almost negligible.

The development of short one-day or similar forms of strikes that raise the profile of the issues and have a strong media orientation have become increasingly common. In the private sector – especially in manufacturing – this has been less common, as stated earlier, but the role of disputes has been key to galvanising and developing new activists and cementing a more radical politics in the public sector trade unions generally, especially in the civil service trade union, the PCS. There have been concerns that strikes are still generally in decline and that, due to the legislative environment and the internal politics of some trade unions, activists have less autonomy from their trade union officials on such matters.¹⁷ So this strengthens the argument that the nature of collective action is very different now than what it was and that alternative worker occupations of their workplaces have not been as extensive as one would imagine.¹⁸

In addition, many trade unions, especially in the public sector, have developed counter-strategies around individual responses to performance

¹⁶ BEALE, D. and MUSTCHIN, S. “The Bitter Recent History of Employee Involvement at Royal Mail: An Aggressive Management Agenda versus Resilient Workplace Unionism”. *Economic and Industrial Democracy*. Vol.35, n.2, 2014, pp. 289–308.

¹⁷ JOYCE, S. “Why Are there So Few Strikes?” *International Socialism*. N. 45, 2015, <http://isj.org.uk/why-are-there-so-few-strikes/>.

¹⁸ GALL, G. “Worker Resistance and Response to the Crisis of Neo-liberal Capitalism”. *Employee Relations*. Vol.33, n.6, 2011, pp. 588–91.

management and the increasing quality monitoring by organisations such as schools and colleges. Be it the civil service, the education system or the health service, the use of quality audits and individual performance measures have intensified in recent years (on the civil service, a good case study is Carter et al.¹⁹). During the intervening period of the Labour Government (1997–2010) such developments were not restrained, quite the contrary. Trade unions increased their representation on cases related to the misuse of performance management and intervened heavily in cases such as the university system, in some cases to mediate and negotiate the nature of such systems in terms of equity and fairness. The growing number of individual legal and internal organisational cases supported around bullying and harassment of staff and management is one response which curiously does not get much academic attention as it does not fall into the rubric of collective responses, although one could argue that trade unions and workers' responses are collective in the way they deal with these individual cases.²⁰

However, there remain many cases where trade unions in the public sector have attempted to engage with management in local city councils or national public administrative bodies to limit or determine the impact of the government's cuts in public services and managerial strategies of 'change'. In some cases, the fact that it is central government that determines the reductions in resources is what has allowed in some city councils and public bodies a narrative to emerge in which the changes are perceived as not being the responsibility of the organisation's management – that it was in the interests of all sides to collaborate and work on a social dialogue based approach to the 'problem'.²¹ In fact, it would be premature to argue that the social partnership approach that the previous Labour Government had tried to develop was not persisting in certain dimensions of the state. In this respect, social partnership of a defensive nature did not dissipate, but sustained itself, albeit in less grandiose terms, as an option for trade unions in their response to austerity and the crisis, especially within the lower

¹⁹ CARTER, B., DANFORD, A; HOWCROFT, D; RICHARDSON, H; SMITH, A; TAYLOR, P. "All They Lack Is a Chain": Lean and the New Performance Management in the British Civil Service". *New Technology, Work and Employment*. Vol. 26, n.2, 2011, pp. 83–97.

²⁰ MARTINEZ LUCIO, M. and STEWART, P. "The Paradox of Contemporary Labour Process Theory: The Rediscovery of Labour and the Disappearance of Collectivism". *Capital & Class*. Vol.21, n.2, 1997, pp. 49–77. However, it must be said that many cases are often between fellow workers and absorb an inordinate amount of time in terms of trade union resources.

²¹ Interview by author with two human resource managers from a leading city council and a major government agency.

reaches of the public sector.²² In terms of the private sector, this use of a truncated version of social dialogue has been at the heart of international trade union strategies through the use of European Works Councils and other forms of consultation within multinational corporations. The attempt to build a greater degree of engagement within these forums, when compared with the UK's relatively low-trust industrial relations system as a whole, has been a major focus of trade union action in terms of education and strategy. These have been key international spaces for union activity, although the extent to which they have spill out effects on local trade unionism depends very much on the company and workplace traditions in question.

Another dimension to the trade union response is the use of social alliances. In the UK, this has been built over time around anti-racist struggles and LGBT issues, amongst others.²³ This very much links to the notion that what is needed is a new utopian counterpoint in the discourse of the trade union movement that connects to a social and broader identity.²⁴ Boothman argues that this approach to social movement unionism was driven in large part by certain aspects of the far left in its attempts to engage with ethnic communities and the women's movement in the 1970s and after.²⁵

The role of trade unions and trade unionists – not always the same thing – in anti-austerity movements such as the People's Assembly Against Austerity has been an important feature. Both formally through their trade union structures and also informally through trade union activists and representatives, the national and local structures of the People's Assembly, which leads local campaigns against the restructuring of the welfare state, have been a focus of much support. In the initial years of the Coalition Government of 2010, it was increasingly active. This movement was able to create a new type of social alliance around a range of campaigns (the social welfare reforms around disability was one feature that was highlighted in its campaigns).²⁶ What was noticeable too in the case of the UK, and which

²² Whilst critical of this position, I differ from positions that see social partnership as having run out of steam (McIlroy, "Britain: How Neo-Liberalism Cut Unions Down to Size". Op.Cit.), although it is not the 'engaged' high trust approach initially expected of it.

²³ GUMBRELL-MCCORMICK, R. and HYMAN, R. *Trade Unions in Western Europe: Hard Times, Hard Choices*. Op. Cit., p. 147.

²⁴ Ibid., 191–205.

²⁵ BOOTHMAN, D. "El nexo clase-etnia: inmigración en Gran Bretaña: una lectura a partir de Gramsci". In: PALA, C; FIRENZE, A; GARCIA, J. Mir. *Gramsci y la Sociedad Intercultural*. Barcelona: Montesinos, 2014.

²⁶ For an outline of the range of trade union support, see www.thepeoplesassembly.org.uk/supporters.

reflects the importance of alliances around race and ethnicity issues, is the emergence of black and minority ethnic activists who led groups against the government policies of austerity, such as BARAC (Black Activists Rising against the Cuts). BARAC is an organisation with a strong presence drawn from highly regarded and active trade unionists amongst others who have a black and minority ethnic background. They have highlighted specific and general outcomes of the reductions in welfare support and services, and the impact in terms of the loss of jobs. They also ensure that key trade union annual conferences consider and hold meetings on such issues. These social responses are not simply alliances as such, but actually have trade union organisations and activists playing lead roles and linking such bodies together across the labour movement. They represent a network of activism which has come to the fore in the past ten or so years in the UK, based on a history of increasing sensitivity to social struggles.

An offshoot of this, and by no means a recent phenomenon driven by the question of austerity, but more a response to the question of an emerging vulnerable workforce, has been the appearance of a community orientation within the trade union organisation. For some time the trade union movement in the UK has taken an interest in the potential for community unionism and has looked closely at the USA.²⁷ There have been various dimensions to this strategy which will be commented on more objectively later. On the one hand, there have been attempts to run local campaigns from local offices where community groups could meet – although this was not very common. The General Municipal and Boilermakers Union began initiatives to link with local community groups and create forms of dialogue and, in some cases, joint training programmes. The more radical National Union of Rail, Maritime and Transport Workers (RMT) – as a union which disaffiliated from the Labour Party and moved further to the left – has been systematic in its attempts to link cuts in transport jobs with the negative impact of transport commuters in terms of their travel experiences: this broadening of the agenda of industrial relations had a strong political dimension and represents a widening of the union agenda.²⁸ In the case of UNITE, there has been the development of a community membership and community representative programme aimed at organising around local campaigns and bringing the trade union into the community.²⁹ They have

²⁷ SIMMS, M., HOLGATE, J; HEERY, E. *Union Voices: Tactics and Tensions in UK Organizing*. Cornell: Cornell University Press, 2012.

²⁸ DARLINGTON, R. “Britain: Striking Unionism with a Political Cutting Edge”. In: Heather CONNOLLY, Heather; KRETSOS, Lefteris; PHELAN, Craig, eds. *Radical Unions in Europe and the Future of Collective Representation*. Oxford: Peter Land, 2014, pp. 69–88.

²⁹ See www.unitetheunion.org/growing-our-union/communitymembership/.

developed a community representative network in an attempt to create local links and connections with the more marginalised parts of the workforce. These have organised in various ways around local work and social campaigns. What is more the work of trade unions around learning and development which have in part been funded by the Union Learning Fund – which receives support from the government, although this support has been reduced and is subject to constant negotiation – has tended to use trade union learning centres and workplace based learning representatives as a way of reaching out to more vulnerable workers in the community.³⁰ Hence, the trade union movement has developed various strategies for raising the plight of those affected by austerity and neo-liberalism more generally, but also provided new forms of support services although the extent of such developments is uneven.

At the heart of the move to a new community and locally based approach, which has been constructed as the main vehicle for reaching the lesser paid, more vulnerable and hyper-exploited workforce, is the *living wage campaign*. This concept has a long history in economics and a diverse and complex set of political origins. The idea that we should go beyond a minimum wage and engage with the actual costs of living for a more dignified life has become a major reference point for trade unions and social organisations in relation to what is commonly termed the ‘hard to reach’ workforce. There has been a strong involvement from social movements and even religious social movements, as in the context of the London Living Wage Campaign.³¹ The use of local alliances between trade unions, social movements and even more forward thinking employers – along with the support of the local state – has been a highlight of the campaign against austerity which has built on the politics of trade union renewal and the community unionism which emerged over the past 15 or so years. It also

³⁰ WALLIS, E., STUART, M.; GREENWOOD, I. “‘Learners of the Workplace Unite!’ An empirical examination of the UK trade union learning representative initiative”. *Work, Employment & Society*. Vol.19, n.2, 2005, pp. 283–304; RAINBIRD, H., & STUART, M. “The state and the union learning agenda in Britain”. *Work, Employment & Society*. Vol.25, n.2, 2011, pp.202-217.

³¹ WILLS, J., DATTA, K; EVANS, Y; HERBERT, J; MAY, J; MCILWAINE, C. “Religion at Work: The Role of Faith-based Organizations in the London Living Wage Campaign”. *Cambridge Journal of Regions, Economy and Society*. Vol.2, n.3, 2009, pp. 443–461; WILLS, J. “The Geography of Union Organising in Low-Paid Service Industries in the UK: Lessons from the T&G's Campaign to Unionise the Dorchester Hotel, London”. *Antipode*. Vol. 37, n.1, 2005, pp. 139–59.

forges an alliance between indigenous and migrant workers, broadly speaking.³²

Hence the trade union movement has managed to respond to the context of neo-liberalism in a variety of ways and build on its traditions of renewal which have come out of earlier struggles and moments of reflection. McIlroy has argued that any attempt to understand responses to globalisation or neo-liberalism – or now austerity – must be guided by a historical sensitivity to the broader politics of renewal of the past few decades within the UK, although how successful that renewal has been is another matter.³³ There have been greater strides in terms of international coordination, especially around the European sector trade union federations, and the use of bodies, as noted above, such as European Works Councils. In terms of learning and training, trade unions have begun to do more on the skills and development of the workforce generally through specific types of public funds, although political trade union education has declined and the focus is on specific aspects of social inclusion.³⁴ What is more there has been a major push towards union organising since the early 1990s in the UK which have been focused on targeting new members and hard to organise workplaces, although the extent to which this has been systematically and politically coordinated is another matter.³⁵ Trade unions have developed cadres of people with specific project briefs to organise workers and build and sustain union organisation within various workplaces. What is more the Union Modernisation Fund, which was a project financed by the Labour Government in the first decade of the millennium, provided resources to trade unions for the purpose of, amongst other things, reaching out to the more vulnerable workforce through leadership training, equality training, mentoring schemes, disability strategies and other forms of inclusion strategies.³⁶ In fact, the greater sensitivity – relatively speaking – to equality strategies have allowed trade unions to build a broader agenda around the

³² However, in some cases trade unions have been ambivalent about their links with specific religious organisations due to their position on gender politics.

³³ MCILROY, J. “Britain: How Neo-Liberalism Cut Unions Down to Size”. Op.Cit.

³⁴ There is a fascinating discussion on the question of how strategic such learning strategies are for those interested in: RAINBIRD, H. and STUART, M. “The State and the Union Learning Agenda in Britain”. *Work, Employment & Society*. Vol.25, n.2, 2011, pp. 202–217; MCILROY, J. and CROUCHER, R. “British Trade Unions and the Academics: The Case of Unionlearn”. *Capital & Class* Vol.37, n.2, 2013, pp. 263–284.

³⁵ MARTINEZ LUCIO, M. and STUART, M. “Organising and Union Modernisation: Narratives of Renewal in Britain”. In: GALL, G. ed., *Union Revitalisation in Advanced Economies*. London: Palgrave, 2009, pp. 17–37.

³⁶ STUART, M., TOMLINSON, J; MARTINEZ LUCIO, M. “Women and the Modernization of British Trade Unions: Meanings, Dimensions and the Challenge of Change”. *Journal of Industrial Relations*. Vol. 55, n.1, 2013, pp. 38–59.

negative impact of neo-liberalism and related strategies, although the use of conflict strategies are not always central to these.

The challenging context of UK trade union politics: the problems of unbalanced and unsupported ‘revitalisation’

As noted earlier, the context of the UK is one of a liberal market system based on financial priorities and employer oriented state policies.³⁷ This is relevant because with a further internationalisation of capital the space within which industrial relations is conducted makes reciprocal action and consistent forms of regulation between different actors more difficult. Within this context there are employer traditions that are increasingly bypassing the trade union movement in a variety of ways.³⁸ There are four further issues which are important to consider in relation to the specific and not just contextual challenges facing union revitalisation.

Firstly, the structural changes and the fundamental decrease in the resource base of the union movement means that it is difficult for unions, and union officials and representatives especially, to run with a range of projects and areas of activity in a consistent manner. Membership decline implies the need for a more scrutinised use of resources and a more difficult context within which to organise activity consistently. Many projects within the movement – such as recognition campaigns, alliance building and even internal development – are often reliant on specific key individuals whose working patterns are more stressed and unsupported. The lack of resourcing and the problems of organisational memory within unions have been spoken of in various studies, as it means longer term planning and strategy is affected.³⁹ As we stated earlier, the fragmentation of conflict and the individualisation of conflict (including inter-worker conflict of an individual nature) means that many resources and capabilities are drawn into these issues and away from those of a broader political nature or industrial politics.

³⁷ HALL, P. A. and SOSKICE, D. eds. *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*. Oxford: Oxford University Press, 2001.

³⁸ DUNDON, T. and GALL, G. “Anti-unionism: Contextual and Thematic Issues”. In: DUNDON, Tony and GALL, Gregor, eds. *Global Anti-Unionism: Nature, Dynamics, Trajectories and Outcomes*. London: Palgrave Macmillan, 2013, pp. 1–20.

³⁹ STUART, M., MARTINEZ LUCIO, M; TOMLINSON, J; PERRETT, R. *The Union Modernisation Fund-Round Two: Final Evaluation Report*. London: Department for Business, Innovation & Skills, 2010.

Secondly, coordination between trade unions is a major problem, and in the UK context, regardless of the development of larger or merged trade unions, there remains a high degree of fragmentation, a complexity of trade union identities and a lack of joined-up discussion about revitalisation regardless of the coordinating efforts of the main trade union confederation. There is not quite the inter-trade union competition of France or Spain for example. There is a more shared ‘social democratic’ sensibility within the movement, but it is still quite fragmented at the leadership and national levels. There is also a reticence with overt political and public mobilisation, as seen with the relative abandonment of large scale demonstrations against the right-wing or previously centre-right governments’ austerity policies, although one could argue, to be fair and balanced (and as mentioned earlier), that the concern with not being able to mobilise sufficient individuals or undermining the electoral possibilities of the main left-wing party is a factor that trade union leaders actively consider when deliberating on these ‘choices’.

Thirdly, there is still fragmentation vertically as well. The extent of shop floor organisation is not as extensive as it was in the 1960s or 1970s for example (see Terry⁴⁰ for a study of such traditions). There remains a lack of support of organisational networks that tie trade union representatives on the ground across different workplaces within and between sectors. The uncertainty towards networks such as the National Shop Stewards Network⁴¹, and others, within some though not all trade unions, indicates a lack of trust within organisations and political concerns with autonomously based movements. In part these may be due to the political characteristics of some of the networks and the history of parts of the left organising around workplace and local representatives,⁴² but there remain many gaps and tensions in connecting with the politics of the workplace.⁴³ Political education and local political activism within trade unionism has diminished to some extent, although this may be due to broader political factors and barriers we will discuss below. There are also question marks over the extent of community unionism and the way in which a stable, trade union presence in the community, which is open and resourced, is being

⁴⁰ TERRY, M. “The Inevitable Growth of Informality”. *British Journal of Industrial Relations*. Vol. 15, n.1, 1977, pp. 76–90.

⁴¹ The National Shop Steward Network is a network which brings together workplace and union representatives from various industries trying to link them and create mutually supportive activities in the absence of systematic support from higher levels of their formal organisations. This network creates horizontal relations and engagement with a broader political space and is supported by various trade unions in various capacities.

⁴² DARLINGTON, R. “Shop Stewards’ Leadership, Left-wing Activism and Collective Workplace Union Organisation”. *Capital & Class*. Vol. 26, n.1, 2002, pp. 95–126.

⁴³ COHEN, S. *Ramparts of Resistance: Why Workers Lost Their Power, and How to Get It Back*. London: Pluto Press, 2006.

supported, apart from such exceptions as UNITE. Even then the ability to connect with more vulnerable and hard-to-reach workers remains due to the lack of a systematic community orientation.

Hence the horizontal and vertical relations – to use these simple terms – within the trade union movement bring challenges, given the extent of fragmentation and change within them. This means that there is also a lack of consistency in terms of international campaigning and involvement, even if the leadership and general senior officers of various UK trade unions have played an influential part in the development of the International Trade Unions Confederation and the European Trade Union Confederation: and even then this is due to the personal negotiating skills and culture, linguistic attributes and North Atlantic connections of key individuals within the British labour movement in the past 30 years or so. However, many trade unionists through political and social networks (especially charities such as War on Want) have played a part in key campaigns in terms of worker rights in the Indian and Bangladeshi agricultural and textile sectors, Palestinian rights, and others. The Trade Union Congress's international department has been a hub for coordinating a range of social and international campaigns, although how these link to the workplace and local activists varies.

The fourth factor in terms of challenges is political and emerges from the nature of the present political regime in 2016. The trade union movement is demonised by the Right and a very large part of the media (much of it owned by organisations linked to the media magnate Rupert Murdoch). The right-wing Conservative government of 1979–97 passed a range of legislation restricting collective action and influencing internal trade union affairs, which represents some of the strongest anti-union legislation of any developed liberal democratic system.⁴⁴ In 2015–16, the Conservative Government proposed legislation aimed at making it more difficult to develop strike action in any workplace or company: a majority vote in favour of collective action would be valid only if a particular percentage of those eligible to vote actually participated in the strike ballot in the first place. The legislation proposed other conditions as well, and even at some point the proposals called on restrictions in the use of social media in certain

⁴⁴ For a detailed discussion on the legal context in general, see the following major intervention which focuses on the undermining of basic employment rights and concepts by the 2015 elected government: SMITH, P. "Labour under the Law: A New Law of Combination, and Master and Servant, in 21st-century Britain?". *Industrial Relations Journal*. Vol. 5, n.6, 2015, pp. 345–364.

contexts and greater flexibility in the employer use of employment agency staff during industrial conflict. Much of this was couched around the ‘right to work’ and the perceived impact of strikes in public services on the public. The fact that even certain right wing politicians critiqued the legislation, likening it to the approach of the previous Spanish dictator Franco, indicates how problematic this legal context is for trade unions.⁴⁵ Without appreciating the very difficult context facing trade unions in the UK one cannot really appreciate the limited spaces – or perceived limited spaces – that exist in terms of formal counter-mobilisation. On the other hand, the current government at the time of writing has developed strategies that, whilst focused on reducing the role of the state and in following what are generally termed ‘austerity’ strategies to rebalance the public finances, have redefined and re-articulated⁴⁶ the social causes of trade unions in curious and in effect quite devious ways. For example, the notion of labour market inclusion has been used by the current government as a way of ensuring that working is economically more attractive to an individual than being on state benefits (especially as the government is reducing such benefits). This has brought criticism from trade unions and social movements who have seen poorer and/or disabled individuals indirectly forced into work (normally at a relatively low level of pay). So in many ways this has pushed the critique of austerity into a difficult position. More importantly, the use in 2015 of the notion of the ‘living wage’ by the Conservative government – and of supporting the development of a recommended living wage albeit at a different level to what is normally demanded – has brought a challenge to the incumbent living wage campaigners, in part trade unionists.⁴⁷ This is because it highlights the risk of focusing too much on specific and disconnected campaigns that can be redefined and undermined in terms of their political impact. The trade union movement thus faces a political assault which is both coercive, in some forms, but also ideologically *nimble* and astute in others. Hence, while systematically collated data and evidence in 2011 pointed to the decline in union power and the role of regulation since the early 1980s as in some aspects beginning to stabilise and level out,⁴⁸ the impact of the new current anti-trade union policies and the political economy of austerity since about 2010 may create a new set of challenges and potential for decline. With the national political referendum vote of June 2016 to leave the European Union the prospect of further anti-

⁴⁵ See http://local.teachers.org.uk/wakefield/Campaign_materials/Campaigns.cfm.

⁴⁶ LACLAU, E. *Politics and Ideology in Marxist Theory*. London: New Left Books, 1979.

⁴⁷ See: www.bbc.co.uk/news/uk-politics-33437115.

⁴⁸ VAN WANROOY, B.; BEWLEY, H; BRYSON, J; FORTH, S; STOKES, L; WOOD, S. *Employment Relations in the Shadow of Recession: Findings from the 2011 Workplace Employment Relations Study*. London: Palgrave Macmillan, 2013.

trade union legislation (as well as legislation which undermines worker rights in areas such as health and safety) is a real possibility and further challenge should worker rights, partly linked currently to the social dimension and legislation of the European Union, be further undermined by the state.

Conclusion: the challenge of isolation

One of the problems we have when discussing trade unions today, the role of collective action and the academically fashionable question of renewal or revitalisation is that we discuss it in terms of trade unions themselves and in isolation. Much may be due to the nature of some aspects of the industrial relations traditions – or labour and employment relations as the North American tradition prefers to use in its attempt to renew the presentation of the discipline. However, trade unions exist within contexts and those contexts are political, social and economic, and historical, and somehow any strategy we discuss makes sense only in terms of the resources, understanding, development and context tied to its evolution. In the UK the challenge to the presence and role of trade unions since the late 1970s, or the absence of political support from the state of a systematic nature when allied parties were in power, means that trade unions are isolated in their responses irrespective of the ‘choice’ (limited in parts, however) of building social alliances. No trade union movement proceeds without creating partnerships in the broader sense of the terms with other actors or interests: some of these choices as Hyman⁴⁹ notes can lean towards focusing relations with employers, the state and society (or a peculiar combination and selection of these).

The remaking of trade unions has been in the main a solitary project which has had good intentions and been viewed by many observers as being highly innovative; but these are first steps which require resources, coordination, conviction and politics. Within the UK, the understanding of trade unions has slipped from much of management and state concerns: there remains an absence of awareness of how socially innovative they have actually become in many ways. Within social democratic elites they are seen as part of a

⁴⁹ HYMAN, R. *Understanding European Trade Unionism: Between Market, Class and Society*. London: Sage, 2001.

historical configuration of the country's progressive politics, but not integral to it.

However, trade unions and unionists have in some sense incubated and guarded the map of social and emancipatory possibilities in terms of its internal discussions and in terms of, what McIlroy quite rightly points out (although to my mind in somewhat pessimistic terms), the political shift towards the left that has been building up since the mid-1990s or so. Within the trade union movement of the UK, the Communication Workers Union, the PCS public service union, the RMT, the FBU, UNITE and others have actually looked to a more political identity and set of priorities by working within established networks and relations as in the Labour Party in some cases and/or other political networks and movements which have mobilised around anti-austerity campaigns. The role of trade union activists – perhaps often as individuals or as parts of alternative political networks – have been at the heart of anti-austerity campaigns and many social struggles in relation to the state. The multiple role and identity of trade unionists is a curious phenomenon which the studies of social movements tend to ignore. That there has been no automatic reimagining of the Left and the role of swords of justice is understandable due to the isolated and demonised role of such discourses in the UK.

Yet whatever happens after the events of 2015 – when Jeremy Corbyn as an explicitly left candidate to the Labour Party was elected against all expectations as the leader of the Labour Party, in great part due to trade unions and their members – the political networks, organisational roles and energy of trade unions and trade unionists have shown their ability to influence political spaces in curious and discreet ways. For all the fragmentation – vertically and horizontally – and organisational challenges facing them, the campaigning ability and grounded imagination of the movement in general has demonstrated its capacity to innovate politically and on occasions influence agendas. This has come from a process of political renewal around social inclusion agendas and a greater albeit relative sensitivity to the very nature of social and economic fragmentation itself. It is this political dimension⁵⁰ we need to study and nurture as well; a need to appreciate what Martin Upchurch calls the curious consistency of the current inconsistencies of struggle.⁵¹ Therefore, to understand globalisation and the position of organised labour we need to understand the

⁵⁰ UPCHURCH, M; TAYLOR, G. J.; MATHERS, A. *The Crisis of Social Democratic Trade Unionism in Western Europe: The Search for Alternatives*. Farnham: Ashgate Publishing, 2009.

⁵¹ M. Upchurch, presentation at the Critical Labour Studies Day Seminar held on 14 November 2015, the GMB, London.

way in which these changes are nationally contextualised and lead to new forms of fragmentation and new spaces for struggle – which require a linking together through political processes and activism.

Impact of the crisis on associative resources of trade unionism. The Spanish case study

Pere J. Beneyto¹

Introduction

Over eight years have passed since the onset of the global economic crisis, with its devastating effects on the labour market (unemployment, precariousness, segmentation), labour relations (legal deregulation, wage devaluation, weakening of collective bargaining) and on social cohesion (inequality, poverty, vulnerability) throughout the European Union and, particularly, in the southern part of the continent, impacting institutions and processes of government and representation.² The objective of this article is to analyse the impact of this process of change, particularly during the most recent crisis period, on Spanish trade unionism within the European context, using that which relates to the structure and evolution of its main associative resources (*member* presence and electoral *audience*) as reference indicators, in permanent and complex interaction with those of a structural (position in the labour market) and institutional (participation in collective bargaining and social dialogue)³ nature. To do so, I initially conduct a specialized literature review on the factors of trade unionism, as well as on the empirical evidence derived from different surveys and comparative studies

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² EUROPEAN COMMISSION. *Industrial Relations in Europe 2014*. 2015; MOLINA, O. "Sindicalismo y crisis económica: amenazas, retos y oportunidades". *Kultur*. vol. I, n.2, 2014, pp. 171-194; BENNER, M. ed. *Before and beyond the global economic crisis*. Cheltenham: Edward Elgar, 2013.

³ GUMBRELL-MCCORMIC, R. and HYMAN, R. *Trade Unions in Western Europe*. Oxford: Oxford University Press, 2013.

of Europe, in order to subsequently focus on the description and analysis of changes in the labour market and in labour relations, as well as the context of our study, regarding the associative resources (membership and representation) of Spanish trade unionism.

1. Indicators of unionism: theoretical approaches and comparative empirical studies

Of the institutions serving to drive representative democracy (political parties, civic associations, and business organizations) it is in the trade unions where membership plays a major role, in terms of power, resources, participation and legitimacy.⁴ The corresponding relative share operates as a privileged indicator of the intervention capacity of the country's trade union movement⁵, strongly conditioned by structural characteristics and the labour relations model of the same.⁶ This hinders comparisons, forcing the incorporation of other variables into the analysis (electoral audience, collective bargaining coverage, institutional participation).

An exploration of the main database on this subject matter (ICTWSS: *Data Base on Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts*) allows us to take an initial look at two large phases in the evolution of trade unions in Europe: the overall growth between 1950 and 1980⁷ and the sustained, though unequal, decline over the following three decades.⁸ The economic crisis had a special impact since 2008⁹ until reaching its current percentage of approximately 23% of the wage earning population of the European Union. This overall change in the trend has led to a heated academic and union debate regarding its causes and effects, resulting in numerous studies and investigations in the field, on both a national and comparative level. The resulting literature is broad and

⁴ LEONARDI, S. "Rappresentanza, organizzazione e democrazia. Modelli e politichesindacali a confronto". *Democrazia e diritto*. n. 3-4, 2013, pp. 1-21.

⁵ EBBEINGHAUS, B. and VISSER, J. "When Institutions Matter. Union Growth and Decline in Western Europe, 1950-1995". *European Sociological Review*. Vol. 15, n.2, 1999, pp. 135-158.

⁶ SULLIVAN, R. "Labour market or labour movement? The union density bias as barrier to labour renewal". *Work, employment and society*. Vol. 24, n.1, 2010, pp. 145-156.

⁷ EBBEINGHAUS, B. and VISSER, J. *Trade Unions in Western Europe since 1945*. London: MacMillan, 2000.

⁸ SCHMITT, J. and MITUKIEWICZ, A. *Politics Matters. Changes in unionization rates in rich countries, 1960-2010*. Washington: Center for Economic and Policy Research, 2011; SCHNABEL, C. "Union membership and density: Some (not so) stylized facts and challenges". *European Journal of Industrial Relations*. Vol. 19, n.3, 2013, pp. 255-272.

⁹ EUROPEAN COMMISSION, 2015.

diverse, with three major areas of approach or perspectives, guided at analysing the factors conditioning current trade union membership, strategies for revitalization and member trajectories.

The first of these research lines focuses on studying the determinants of membership, distinguishing between macro (temporary, structural and institutional factors) and micro (sociodemographic and cultural) levels. As for the macro factors, studies have attempted to evaluate how union membership is influenced by the evolution of the economic cycle¹⁰, changes in occupational structure from the industrial to the tertiary paradigm¹¹, the distribution of employment based on work centre size and the public or private nature of the same¹² and, at an institutional level, changes in collective bargaining coverage and structure¹³ and the validity of the *Ghent system* of trade union participation in the provision of welfare benefits.¹⁴

From a micro perspective, studies have focused on the analysis of the weight of the sociodemographic (gender, age, education level, origin) as well as on variables related to particular employment (activity sector, contract type, years with the company, wage level) that affect the propensity to become a member of a trade union.¹⁵ And, even those of a cultural nature that are related to ideological orientation¹⁶ and individual or cooperative

¹⁰ BAIN, G. and ELSHEIKH, F. *Union Growth and the Business Cycle: An Econometric Analysis*. Oxford: Blackwell, 1976; CHECCHI, D. and VISSER, J. "Pattern persistence in European trade union density: A longitudinal analysis 1950-1996". *European Sociological Review*. Vol. 21, 2005, pp. 1-21.

¹¹ EBBINGHAUS, B. and VISSER, J. *Trade Unions in Western Europe since 1945*. London: MacMillan, 2000; BRYSON, A., EBBINGHAUS, B. and VISSER, J. "Causes, consequences and cures of union decline". *European Journal of Industrial Relations*. Vol. 17, n.2, 2011, pp. 97-105.

¹² BAIN, G. *Industrial Relations in Britain*, Oxford: Basil Blackwell, 1983; HARTLEY, J. and STEPHENSON, G. *Employment Relations*, Oxford: Blackwell, 1992.

¹³ CLEGG, H. *El sindicalismo en un sistema de negociación colectiva*. Madrid: Ministerio de Trabajo, 1986.

¹⁴ SCRUGGS, L. "The Ghent system and Union Membership in Europe, 1970-1996. *Political Research Quarterly*. Vol. 55, n.2, 2002, pp. 275-297.

¹⁵ SCHNABEL, C. and WAGNER, J. "Union Density and determinants of union membership in 18 EU countries: evidence from micro data, 2002/03". *Industrial Relations Journal*. Vol. 38, n.1, 2007, pp. 5-32; FAZEKAS, Z. "Institutional effects on the presence of trade unions at the workplace: Moderation in a multilevel setting". *European Journal of Industrial Relations*. Vol. 17, n.2, 2011, pp. 153-169; EBBINGHAUS, B., GÖBEL, C. and KOOS, S. "Social capital and workplace contexts matter: Comparing union membership in Europe". *European Journal of Industrial Relations*. Vol. 17, n.22, 2011, pp. 107-124.

¹⁶ RILEY, N. "Determinants of Union Membership: A Review". *Labour*. Vol. 11, n.2, 1997, pp. 265-301; HAGUE, R., HARROP, M. and BRESLIN, S. *Comparative Government and Politics*. London: MacMillan Press, 1998.

values¹⁷ have been considered. As for motivations and incentives for membership, a specialized literature¹⁸ distinguishes between those of an institutional (desire for protection and/or services), identity-based (similarity with the values and proposals of the organization) and sociability (personal and group relations) nature.

Overall, the research on the determinants of trade union membership, of both a quantitative and a qualitative nature, has generated a great deal of empirical work which has validated some of the principal hypotheses. Of special significance are the multi-variable analyses conducted by different research teams on the *European Social Survey*¹⁹, which considers the net rate of trade union membership of the wage-earning population as the dependent variable (excluding the employed, retired, pensioners, freelancers, etc.) and studies its correlation with the principal dependent variables (sociodemographic, structural and institutional) of which it has data.

The reference studies have a high degree of agreement in their results, allowing us, for expository effects, to classify the studied variables in three large groups, according to their positive influence (greater or lesser) on membership tendencies:

¹⁷ VISSER, J. "Why Fewer Workers Join Unions in Europe: A Social Custom Explanation of Membership Trends". *British Journal of Industrial Relations*. Vol. 40, n.3, 2002, pp. 403-430.

¹⁸ FREEMAN, R. and MEDOFF, J. *What Do Unions Do?* New York: Basic Books, 1984; KLANDERMANS, B. "Psychology and trade union participation: Joining, acting, quitting". *Journal of Occupational Psychology*. Vol. 59, 1986, pp. 189-204; CREGAN, C. "Can organizing work? An inductive analysis of individual attitudes toward union membership". *Industrial and Labor Relations Review*. Vol. 58, n.2, 2015, pp. 282-304; BLANCHFLOWER, D. "International patterns of union membership". *British Journal of Industrial Relations*. Vol. 45, n.1, 2007, pp. 1-28; CHECCHI, D., VISSER, J. and VAN DER WERFFHORST, H. "Inequality and Union membership: The influence of relative earnings and inequality attitudes", in *British Journal of Industrial Relations*. Vol. 48, n.1, 2010, pp. 84-108; TOUBOL, J. and JENSEN, C. "Why do people join trade unions? The impact of workplace union density on union recruitment". *Transfer*. Vol. 20, n.1, 2014, pp. 135-154.

¹⁹ SANO, J. and WILLIAMSON, J. "Factors affecting Union decline in the 18 OECD countries and their implications for Labor Movement Reform". *International Journal of Comparative Sociology*. Vol. 49, n.6, 2008, pp. 479-500; SCHEUER, S. "Union membership variation in Europe: A ten-country comparative analysis". *European Journal of Industrial Relations*. Vol. 17, n.1, 2011, pp. 57-73; SCHMITT, J. and MITUKIEWICS, A. *Politics Matter. Changes in unionization rates in rich countries, 1960-2010*. Op.Cit; TURNER, T. and D'ART, D. "Public perceptions of trade unions in countries of the European Union: A causal analysis". *Labor Studies Journal*. Vol.37, n.1, 2012, pp. 33-55; SCHNABEL, C. "Union membership and density: Some (not so) stylized facts and challenges". Op.Cit.

- a) *strong impact*: economic cycle (trade union membership has a pro-cyclical behaviour, increasing with the growth in employment and wages and decreasing in recessions, although in both cases, with a certain temporary disparity), a direct correlation with company size, the existence of trade union structures in the work centre (delegates, business committees, union branches) and institutions of the Ghent system (existing only in Belgium and Scandinavian countries).
- b) *average impact*: activity sector (greater membership propensity in industry and public services and a lower propensity in private sectors), contractual situation (membership rate increases for permanent workers and decreases for temporary workers), age and education level (curvilinear relationship).
- c) *weak impact*: in terms of trade union membership, the gender gap presents an unequal distribution, however with a tendency to decrease and even to inverse in some countries (Denmark, Finland, Sweden, United Kingdom, being some of the most significant), with worker nationality of origin also being of low significance. On the other hand, the collective bargaining model generates an unequal impact on membership based on whether its structure (centralization-decentralization) and type of coverage (universal-unionized) activates the *free-riding* mechanisms to a greater or lesser degree.

A multivariate analysis carried out on data from the European Social Survey²⁰ concluded that when the most favourable circumstances coincide (workers over the age of 30, with permanent contracts in medium to large sized companies of the industry or public service sectors, having a trade union presence in the work centre) the mean membership rate (23%) increased up to 61%, while in the opposite pole (young workers with temporary contracts in private service sectors and micro-companies without the presence of trade union structures) the rate virtually disappears, decreasing to between 1 and 3 per cent.

To summarize, the membership patterns that have been created over the past three years and that transversally affect all of the European countries, while having an unequal degree of development of the determinant factors analysed, and of the renewal strategies implemented by the respective trade union organizations, explain the differences existing between the main

²⁰ VAN GYES, G. "The social partners as membership organisations: an overview of forms and trends in the Member States". *Industrial Relations in Europe 2006*. Luxembourg: Comisión Europea, 2006, pp. 19-40.

labour relation systems, both in their rates of unionism as well as in the recent evolution of the same.

From a diachronic perspective, the analysis of trade union membership in Europe since 1960, considering both absolute and relative values²¹, provides sufficient empirical evidence to dispute the recurrent neoliberal clichés regarding the structural crisis and the inevitable decline in unionism²² caused by globalization, technological change and the (supposed) defensive concentration in the old strongholds of industry. The data available, however, accredits both the maintenance of major levels of unionism as well as the difficulties in its adaptation to the occupational and institutional changes occurring since 1980, leading to a reduction in membership rates that is apparently neither homogenous in terms of the different occupational variables studied, or generalizable to all countries of the European Union. This diversity has been maintained, even over recent years in which the overall impact of the crisis has not significantly altered the membership rankings for the different countries and labour relations models.²³

According to data from the ICTWSS, between 2000 and 2007 the net membership rate in trade unions in the 28 countries of the EU (*Table 1*) decreased by 2.9%, dropping from 26.9 to 23.9 per cent of the total wage earning population, although this was not a generalized trend. Increases were recorded in 9 countries and decreases of less than the mean were found in six other countries. During the recessive phase of the cycle, the decrease was more pronounced (-7.5%) although once again, this was not homogenous, with increases in membership occurring in Belgium, Italy and to a lesser extent, France and Malta, and very unequal variations in the other countries, with special importance being seen in the countries that were most affected by the crisis (Greece, Spain, Portugal and those of the Eastern area).

On the other hand, comparative studies have allowed us to verify that the membership density of each country or area (Scandinavia, Central Europe, Anglo Saxon, Mediterranean and Eastern) is greatly determined by the characteristics of the labour relation systems in which the trade unions

²¹ SCHNABEL, C. "Union membership and density: Some (not so) stylized facts and challenges". Op.Cit.

²² TROY, L. *The Twilight of the Old Unionism*. New York: M.W. Sharpe, 2004.

²³ BRYSON, A., EBBINGHAUS, B. and VISSER, J. "Causes, consequences and cures of union decline". Op.Cit.; SCHMITT, J. and MITUKIEWICS, A. *Politics Matter. Changes in unionization rates in rich countries, 1960-2010*. Op.Cit.

operate²⁴, with common and differentiated patterns existing in each of these.²⁵

Having identified the different determinant factors of membership evolution and the power of union intervention, quantifying the uneven impact on the principal organizational and labour relation models, more recent debates and studies have focused on the design and implementation of corresponding strategies for revitalization, having different effects based on the specific case at hand, yet which highlight the resistance and renewal capacity of the unions during especially difficult times.²⁶

Table 1

Trade union membership* in Europe, 2000-2014

Country	2000		2007		Var. in % 2000-07	2014		Var. in % 2007-14
	No.	Rate	No.	Rate		No.	Rate	
SCANDINAVIAN SYSTEM								
Denmark	1,824	73.9	1,733	70.7	-4.9	1,633	68.8	-5.7
Finland	1,504	75.0	1,529	70.5	+1.6	1,462	69.0	-4.4
Sweden	2,989	79.1	2,936	70.8	-1.7	2,878	67.3	-1.9
Total	6,317	76.9	6,198	70.6	-1.9	5,973	68.3	-3.6
GERMANIC SYSTEM								
Germany	7,928	24.6	6,604	19.9	-16.7	6,330	18.1	-4.1
Austria	1,190	36.6	1,029	29.9	-13.5	989	27.4	-3.8
Belgium	1,936	56.2	2,039	54.7	+5.3	2,120	55.1	+3.9

²⁴ EBBEINGHAUS, B. and VISSER, J. "When Institutions Matter. Union Growth and Decline in Western Europe, 1950-1995". Op.Cit.; TRAXLER, F. *National Labour Relations in Internationalized Markets*. Oxford: Oxford University Press, 2011.

²⁵ BERNACIAK, M., GUMBELL-MCCORMIC, R. and HYMAN, R. *El sindicalismo europeo: ¿de la crisis a la renovación?* Madrid: Fundación 1º de Mayo, 2015; EUROPEAN COMMISSION, 2015.

²⁶ BERNACIAK, M., GUMBELL-MCCORMIC, R. and HYMAN, R. *El sindicalismo europeo: ¿de la crisis a la renovación?* Op.Cit.

Holland	1,574	22.9	1,422	19.3	-9.6	1,265	17.8	-11.0
Luxembourg	116	42.8	120	38.3	+3.3	116	32.8	-2.7
Total	12,744	27.6	11,214	23.3	-12.0	10,821	21.4	-3.5
ANGLO-SAXON SYSTEM								
Cyprus	145	65.1	166	54.9	+14.4	136	45.2	-17.8
Ireland	495	38.0	562	31.5	+9.7	520	29.6	-7.5
Malta	76	60.3	75	56.4	-0.9	78	52.9	+3.7
United Kingdom	7,108	30.2	6,865	27.9	-1.9	6,445	25.8	-6.1
Total	7,824	30.9	7,668	28.1	-1.9	7,179	26.5	-6.4
MEDITERRANEAN SYSTEM								
Spain	2,037	16.6	2,879	17.4	+41.3	2,360	16.9	-18.1
France	1,781	8.0	1,795	7.5	-0.6	1,825	7.7	+1.7
Greece	631	26.5	710	24.5	+11.8	480	21.5	-32.4
Italy	5,195	34.8	5,665	33.5	+8.2	6,131	37.3	+8.2
Portugal	783	21.6	804	20.8	-2.4	665	18.9	-17.3
Total	10,427	18.8	11,596	18.1	+9.3	11,461	19.0	-1.2
EASTERN SYSTEM								
Bulgaria	550	23.0	490	17.2	-10.9	454	17.5	-7.3
Czech	1,080	27.2	736	18.3	-21.9	514	12.7	-30.2
Croatia	440	37.2	436	34.0	-0.9	352	30.9	-19.3
Slovakia	623	32.3	383	18.8	-35.3	261	13.3	-31.8
Slovenia	312	41.6	240	28.1	-27.3	160	21.2	-33.3
Estonia	77	14.5	44	7.4	-38.9	32	5.7	-27.3
Hungary	711	22.0	510	15.0	-22.0	360	10.5	-29.4

Latvia	175	20.2	156	16.6	-10.8	102	9.0	-34.6
Lithuania	184	16.8	115	9.3	37.5	103	9.0	-10.4
Poland	1,850	17.5	1,820	15.6	+14.8	1,540	12.5	-15.4
Romania	2,043	34.7	2,228	36.0	+9.1	1,233	19.8	-44.6
Total	8,045	24.8	7,158	20.4	-11.0	5,111	14.4	-28.6
TOTAL EU	45,177	26.9	43,834	23.9	-2.9	40,545	22.3	-7.5

Source: ICTWSS database.

* Only membership of wage earning population

The paradigm of the revitalization of unionism arises, initially, from an academic train of thought (*Labour Revitalization Studies*) with Anglo Saxon origins.²⁷ Yet it has been progressively adapted to other union models and defined as a set of strategies created to intervene in the different sources of trade union power (structural, associative, organizational, institutional, strategic and narrative) so as to identify the causes of the current union representation crisis and to attempt to revert their effects (loss of membership and influence) through the deployment, in each case, of the corresponding strategies of negotiation, recruitment, organizational restructuring, institutional participation, alliances and communication.²⁸

Based on this multi-dimensional approach, European trade unions have adapted their respective organizational models and social environments to distinct strategies. They have attempted to identify the *soft factors* from the determinants of union power on which they may intervene (presence in work centres, creation of representation structures, coverage and content of collective bargaining, service provision, institutional participation, social pressure, legal regulation), in order to compensate for the impact of the structural *hard factors* (economic cycle, company size, activity sector, technological change, demographic variables) which are not often

²⁷ BACCARO, L., HAMANN, K. and TURNER, L. "The politics of labour movement revitalization: The need for a revitalized perspective". *European Journal of Industrial Relations*. Vol. 9, 2003, pp. 119-133; PHELAN, C. *Trade Union Revitalisation. Trends and prospects in 34 countries*. Oxford: Peter Lang, 2007.

²⁸ FREGE, C. and KELLY, J. "Union revitalization strategies in comparative perspective", en *European Journal of Industrial Relations*. Vol. 9, n.1, 2003, pp. 7-24.

susceptible to modification due to their direct intervention²⁹, whose recent evolution and current situation in the Spanish case shall be analysed below.

2. Returning to the social issue: changes in the labour market and in labour relations

After the first years of the financial crisis (the *great recession*), the most recent stage has been characterized by a coordinated effort between political and economic leaders to impose a radical transformation of the labour relations model (the *great aggression*), which has broken the fragile balance achieved during decades of social dialogue and which has profoundly aggravated the asymmetry between capital and work.³⁰ This has been accomplished through using labour deregulation to weaken the three collective devices that have historically acted in defence and protection of workers: legal protection, union intervention and business coverage, leading to a *great regression* in terms of labour vulnerability and social inequality. We are, therefore, returning to the social issue whose magnitude and drama (unemployment, precariousness, poverty and inequality) have contradicted the dominant discourse of inevitable austerity and insufficient resources, updating the debate on the centrality of work, both in its real (its search, exercising, conditions, regulation, etc.) and symbolic (identity factor and citizenship) dimensions and confirming the need to construct a new account of the causes and effects of the crisis, its actors and alternative strategies.

In the first case, the evolution of the economic cycle reveals that, even when the causes of the crisis do not lie in the labour market and its supposed rigidity, but rather, in financial speculation and its true voracity, these have been used as a pretext to change the social model and to promote an enormous transfer of income from work to capital, devaluing labour rights and conditions, cutting welfare provisions and privatizing public services. All these have had traumatic effects on both the labour market and labour relations and social cohesion. Updating the model applied in the 1980s by the governments of Thatcher and Reagan, one of the central lines of the conservative strategy in Spain has been to break with the representativeness, resources and legitimacy of class unionism, in order to debilitate, if not eliminate, its functions as a social actor and gender mainstreaming with

²⁹ SCHEUER, S. "Union membership variation in Europe: A ten-country comparative analysis". Op.Cit.; SCHNABEL, C. "Union membership and density: Some (not so) stylized facts and challenges". Op.Cit.

³⁰ LEHNDORFF, S. "Acting in different worlds. Challenges to transnational trade union cooperation in the Eurozone crisis". *Transfer*. Vol. 21, n.2, 2015, pp. 157-170.

intervention capacity. This obtains both in the processes of the first distribution of income (wages, working conditions) through collective bargaining, as well as in the very mechanisms of the second re-distribution (fiscal policy, state welfare benefits) through institutional participation and social pressure.

Now we shall assess the damage caused by the crisis and conservative management which, using the crisis as a pretext, attempted to radically change both the scenario (labour market segmentation, employment vulnerability), and the institutions (weakening collective bargaining, alienating social dialogue) and labour relations actors (de-legitimation of unionism, criminalization of social protest), in order to reinforce their political, economic and even cultural hegemony. Thus, in order to appropriately contextualize both the impact of the crisis and the labour counter-reform imposed in Spain by the conservative government of the *Partido Popular*, as well as the difficulties for union action, it is useful to analyse, even schematically, the recent evolution and current state of the principal socioeconomic and labour indicators.

In the first case, and according to the Labour Force Survey, at the end of 2015, the Spanish wage-earning population was 14,988,900, which is 12.3% less than in 2007, with over two and a half million jobs having been destroyed. When considering the most significant sociodemographic variables, the structure and evolution of paid employment is characterised by:

- *gender*: increases in the participation of women, who have gone from representing 43.8 to 47.9 per cent.
- *age*: those under the age of 30 currently represent 14.4% of the total of all wage earners, being the age group that was most affected by the crisis, having lost some 2,236,800 jobs since 2007.
- *nationality*: one out of every ten wage earners is foreign-born, with this being one of the groups that was the most harshly affected by the crisis, losing some 35.3% of its earnings since 2007.
- *contract*: the rate of temporary contracts is 25.7%, ten percentage points above the European mean, having a mean duration of 53 days.
- *working day*: part time contracts have increased considerably during the crisis, from 11.7 to 16.9 per cent, with this being a very feminized contractual modality, having rates of 26.2 for women and 8.4% for men.
- *length of service*: 18.4% of the salaried workers have been working in their job for less than one year, 12.8% between one and two and the rest (79.8%) have over three years of length of service.

- *activity sector*: the largest group of wage earners are concentrated in the private (57.4%) and public (20.1%) services, while industry represents 14.6% of the total, with construction and agriculture having lower percentages (4.8 and 3.2 per cent, respectively).

- *company size*: 40.5% of those employed in the private sector (with the exception of agriculture and financial services) work in micro-companies (with less than 10 employees), a percentage that is much higher than the European mean (29.3%). 19.3% work in small companies (10 to 49), and medium (50 to 249) and large companies (over 250 employees) employing 13.5 and 26.7 per cent, respectively, of the wage earners.

On the other hand, unemployment, in its diverse dimensions (magnitude, evolution, composition and duration) represents the most dramatic expression of the crisis, currently estimating the number of unemployed individuals at 4,779,500, some 20.9% of the active population, with this rate having ranged from 8.5% in 2007 to 26.1% in 2013, outnumbering in all cases, the European mean. Unemployment rates for women are higher than those of men (22.5 and 19.5 per cent, respectively), although it is the age variable that has a less equal distribution, reaching the highest levels in the cohorts of 16 to 19 years (66.1%), of 20 to 24 (42.5%) and of 25 to 29 (27.6%). With all of this, the most dramatic situation is associated with long term unemployment (43.6% with over two years) and with the loss of unemployment benefits, whose coverage rate has decreased by over twenty points since the start of the crisis, until reaching 55.2% at the end of 2015. The integrated analysis of this data, via the creation of synthetic indices, allows us to quantify the impact of the crisis on our labour market, both in its temporary evolution as well as comparative assessment with the main countries of our region.

The labour vulnerability *index*³¹ measures the global scope of instability (unemployment, temporary work and part time jobs), currently placing it at 56.5% for the overall wage-earning population (employed or unemployed), more than twelve points above the EU mean, after having increased by eight points since 2007. Similarly, the last version of the employment quality index which is created annually by the OECD, describing rates of employment, temporary employment and long term unemployment, situated Spain, with a score of 2.4 out of 10, in the second to last place in a list of the 34 most developed countries in the OECD. Spain dropped ten positions

³¹ PRIETO, C. and PÉREZ DE GUZMÁN, S. “La precarización en el marco de la norma flexible-empresarial del empleo”. In: TORRES, C. ed. *España 2015. Situación social*. Madrid: CIS, 2015, pp. 629-639.

since 2012 and was next to Greece (1.5), Turkey (3.8), Portugal (4.1), Slovakia (4.3) and Hungary (4.8) the only countries to fail in said classification.

During this period, there was also strong wage devaluation, causing a reverse redistribution, with cuts in the aggregate payment of wage earners by three percentage points of the GDP (from 55 to 52 per cent) between 2009 and 2014. At the same time, corporate benefits increased by the same proportion (from 45 to 48 per cent) with the resulting increase in inequality (over three points in the index by Gini, being the OECD country in which it increased the most) and of poverty, which was situated at 13.4 million individuals (29.2% of the population, five points above the EU mean) who are at risk of social exclusion.³²

At the same time, the imposed labour reform reinforced the unilateral power of companies, leading to a lifting of the sectorial agreements and promoting the individualization of labour relations³³ at the macro level, in a strong impact both on the structure and the coverage of collective bargaining as well as on the employment regulations. And at a micro level, it led to the standardisation of abusive business practices, directly limiting worker rights and the capacity for trade union intervention. While considerable, and at times, dramatic, these changing circumstances caused by the crisis have had led to long term structural trends that have radically modified the scenario since the 1980s, including the global actors and institutions involved in labour relations³⁴ and more specifically, those of the European Union.³⁵

In Spain, the democratic normalisation initiated late in the 1970s precisely when the European model (Keynesian economics, Ford-based production, corporate labour relations and the Welfare state) started showing signs of fatigue following its *golden years*³⁶ of economic growth and social cohesion, revealed an added difficulty. This foundational *anomaly* would condition both the normative and institutional representation of interests such as the organizational and strategic development of the main actors,

³² OXFAM. *Una economía al servicio del 1%*. Informe 210, 2015.

³³ BAYLOS, A. *Negociar en crisis. Negociación colectiva en los países del sur de Europa*. Albacete: Bomarzo Otaegui, 2014; OTAEGUI, A. “Desequilibrio negocial y debilitamiento del actor sindical como efectos de la reforma laboral”. *Cuadernos de Relaciones Laborales*. Vol. 32, n.2, 2014, pp. 337-360.

³⁴ BACCARO, L. *Labour, Globalization and Inequality: Are Trade Unions Still Redistributive?* Ginebra: OIT, Instituto Internacional de Estudios Laborales, DP/192/2008.

³⁵ FERNER, A. and HYMAN, R. *La transformación de las relaciones laborales en Europa*. Madrid: Ministerio de Trabajo, 2002.

³⁶ HOBBSBAWM E. *Historia del siglo XX*. Barcelona: Crítica, 1995.

particularly of the unions, which only as of the 1990s began to resemble the membership patterns of the rest of Europe.³⁷

3. Associative resources of Spanish trade unionism

Having identified the determinant factors and development patterns of European trade unionism, our objective now lies in analysing their validity in the Spanish case, considering its historic evolution and structural composition. The proposed hypotheses refer, first, to the *quantitative expansion and qualitative adaptation process* followed by Spanish trade unionism, from its late and difficult historic configuration, and which we consider different in the first case and convergent in the second, with respect to the European trade union dynamic. The goal is to determine whether, as the recurrent media topic predicts (at times, even with academic support) Spanish trade unionism is characterized by its negligible membership and representation, limited to the most traditional of sectors (Fordist industries) and the most traditional of groups (men, low skilled and in manual occupations), without a presence in the emerging areas of the business and occupational structure. Or, to the contrary, if it has experienced a major process of growth, adaptation to its changing environment, diversification of its profiles and trajectories and broad coverage of its institutional intervention in collective bargaining and labour relations. Therefore, we analyse the associative resources (presence/audience) of Spanish trade unionism based on the data available regarding the evolution and composition of its membership and electoral representation, provided by union and institutional sources as well as surveys and electoral records.

The legal regulation of Spanish unionism began during the late 1970s (laws 19/1977 on trade union association and 8/1980 of the Worker's Statute), when the expansive trend of European unionism reverted as a result of the economic crisis and of the various social changes caused by the same. In the Spanish case, this was further complicated by the uncertainties arising with the political transition. The result of this process was a dual channel model that was associative (direct membership) and elective (delegated representation). Its impact on the development of unionism and labour relations in Spain has been the subject of on-going debate (both in the trade

³⁷ BENEYTO, P. "El sindicalismo español en perspectiva europea: de la anomalía a la convergencia". *Cuadernos de Relaciones Laborales*. Vol. 26, n.1, 2008, pp. 57-88.

union area as well as in legal and academic fields) in regards to unequal degree of functionality.³⁸

It is a system with inclusive will which, on the one hand, appears to discourage direct membership as it globalizes the coverage of union intervention, while on the other hand, it contributes to indirectly extending the area of influence of electoral representation. At the same time, it also provides clear democratic legitimacy. In an initial phase, which would extend until the late 1980s, union strategy was based on the design and implementation of the *logic of influence*, strengthening its representative dimension, in order to legitimize its intervention and ensure its capacity to dialogue with business (within and outside of the work centres) and public institutions. For this, the dual model was fundamentally designed around the electoral axis, both in terms of normative regulation as well as syndicate strategy. In the first case, elective representation became the key to the system given that not only did it ensure defence and dialogue between the company workers (delegates/committees), but also determined aggregate union representation (arts. 6 and 7 of the LOLS) and therefore, the rights to the overall effectiveness of collective bargaining (arts. 87-89 of the WS) and of institutional representation.

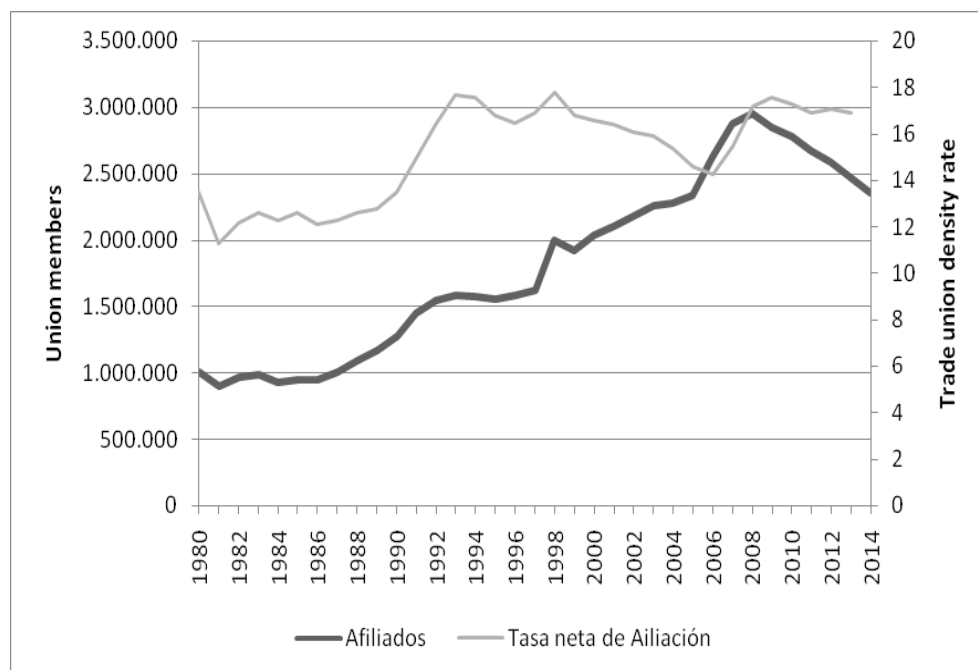
3.1. Membership

Initially, union membership responded mainly to ideological and identity-based incentives and to defensive strategies, having very low numbers (approximately one million members for the overall collective of trade unions), with a declining trajectory during the early period. At the same time, successive union elections broadened their area of influence and intervention, allowing analysts to define the Spanish model as being a “unionism of voters”³⁹ with a “greater audience than presence”⁴⁰. It was situated in an intermediate area between an *informal movement* and a *formal organization*, jeopardising the effectiveness of its recruitment plans and membership loyalty.

³⁸ BENEYTO, P. “Fortalezas y debilidades del sistema español de representación sindical”. *Gaceta Sindical. Reflexión y debate*. n.16, 2011, pp. 195-223.

³⁹ MARTINEZ-LUCIO, M. “España: regular el empleo y la fragmentación social”. In: FERNER, A. and HYMAN, R. *La transformación de las relaciones laborales en Europa*. Op. Cit., pp.547-585.

⁴⁰ ROJO, E. “Las tareas pendientes”. *Política y Sociedad*. n. 5, 1990, pp. 31-44.

Graph 1. Trade union membership in Spain (1980-2014).**Absolute values and relative share**

Source: ICTWSS

In the mid-1980s, a change occurred in the mechanisms of union membership, from the model based on *ideology-identity* to one based on a more *instrumental and practical membership logic* and the generic creation of *material and sociability incentives*, derived from the growing capacity in the area of the defence of collective interests (the new model of social consensus, expansion of coverage and of the collective bargaining agenda, union action within the company, social mobilization). While union membership decreased in the majority of European Union countries⁴¹, in Spain it doubled its members between 1988 and 2000, until eventually surpassing two million (*Graph 1*), while at the same time, developing a process of change and adaptation of its morphology, from a Fordist homogeneity (men, low-skilled, manual jobs in industry and low wages) to more heterogeneous profiles, representing the new occupational structure and more similar to the modern European unionism.

Since then, the membership indicators have revealed a clearly pro-cyclic behaviour (*Table 2*), with growth periods in the expansion phase exceeding

⁴¹ BERNACIAK, M., GUMBELL-MCCORMIC, R. and HYMAN, R. *El sindicalismo europeo: ¿de la crisis a la renovación?* Op.Cit.

those of the reference wage earning population (+41.3 and +39.1 per cent, respectively between 2000 and 2007) and with decreases during the recession (-18.0 and -15.3 per cent from 2007 to 2014), although the reversal of the union trend took a few years to be consolidated.

Table 2. Evolution of the wage earning population and trade union membership in Spain, 2000-2014

	Wage earning population		Union membership		
	No. (thousands)	Var. in %	No. (thousands)	Var. in %	Net rate
2000	12,285,7	---	2,037	---	16.6
2001	12,786,7	+4.1	2,110	+3.6	16.4
2002	13,141,7	+2.8	2,187	+3.6	16.1
2003	14,127,4	+7.5	2,260	+3.3	15.9
2004	14,720,8	+4.2	2,278	+0.8	15.4
2005	15,502,0	+5.3	2,338	+2.6	14.6
2006	16,208,1	+4.5	2,622	+12.1	14.3
2007	17,095,0	+5.4	2,879	+9.8	15.5
2008	16,681,0	-2.4	2,953	+2.6	17.2
2009	15,680,7	-5.9	2,844	-3.7	17.6
2010	15,346,8	-2.1	2,777	-2.6	17.3
2011	15,105,5	-1.6	2,678	-3.6	16.9
2012	14,573,4	-3.5	2,583	-4.3	17.1
2013	14,069,1	-3.5	2,472	-4.3	16.9
2014	14,483,1	+2.9	2,360	-4.5	16.3

Source: INE-EPA and ICTWSS

Overall, direct membership and social legitimacy grows when the unions are perceived as being instruments of improvement for the workers' labour and social conditions, both at a micro (work centre, legal services) and a macro (collective bargaining, dialogue, institutional and social pressure) level. Conversely, it declines when these are weakened and/or lose effectiveness and visibility, as has occurred over recent years, as a result of the crisis, labour reform and even their own shortcomings and errors.

As for membership structure (*Table 3*), according to a follow-up of the membership records and data provided by the *Survey on Quality of Life at Work* (ECVT -*Encuesta de Calidad de Vida en el Trabajo*-), conducted annually by the corresponding Ministry between 1999 and 2010, which we have thoroughly analysed in previous studies⁴², the major transformation of its internal composition, consisting of sociodemographic, occupational and contractual variables, is highlighted:

-by *gender*: with data from the ECVT corresponding to 2010, the membership rate for males (20.6%) is higher than that of females (16.8%). However, the incorporation and permanence rhythm of women is found to be higher, changing from 19.8% of the membership in 1980 to 41.5% currently, a percentage that is similar to the European mean (43.8%), although continuing to be lower than their participation rate in the active population of the country (47.9%).

- by *age* the greater rates of union membership are found in the central segment (22.5%), being lower in the extremes: while younger workers under the age of 35 represent 27.5% of overall employment, they only make up 19.2% of union membership, with said membership increasing with age and education level.

Table 3. Structure of trade union membership in Spain

	Rate		Rate		Rate
TOTAL	18.9	OCUPATION		TOTAL	18.9

⁴² BENEYTO, P. "Crisi i renovació del sindicalisme. L'afiliació a CC.OO. i UGT". *Revista de Treball*. n. 9, 1989, pp. 147-162; BENEYTO, P. *Reivindicación del sindicalismo*. Madrid: Bomarzo, 2012; ALÓS, R. *Afiliación y representación del sindicalismo en España y en la Unión Europea*. Informe núm. 96. Madrid: Fundación 1º de Mayo, 2014.

GENDER		Technicians	21.2	LENGTH OF SERVICE	
Men	20.6	Administrative	21.9	Less than 5 years	11.8
Women	16.8	Qualified W.	17.1	6-10	16.5
AGE GROUPS		Unqualified	18.4	11-15	22.4
From 16 to 34 years	13.2	ACTIVITY		Over 15	33.1
35-54	22.5	Agriculture	8.1	CONTRACT	
From 55 to 64	18.1	Indus-Construc.	17.5	Permanent	21.2
NATIONALITY		Services	25.8	Temporary	11.7
Spanish	20.3	SECTOR		WORKING HOURS	
Foreign	7.2	Private	15.0	Full time	19.5
EDUCATION LEVEL		Public	31.2	Part time	14.9
No studies	19.4	COMPANY SIZE		UNION REPRESENT.	
Primary	16.9	-10 employees	7.3	Yes	30.0
Secondary	18.4	10-49	12.3	No	9.6
University	20.6	50-250	17.9	Don't know	6.9
		+ 250	30.2		

Source: ECVT'2010

- by *nationality*, the membership rate of immigrants is three times lower than that of natives, being an under-represented group in terms of membership with respect to their weight in the working population (3.9 and 10.8 per cent, respectively).

- in composition by *activity branches*, the greatest transformation has occurred. Whereas in 1980 there was a strong concentration in the traditional sectors of industry and construction (66.7% of the membership and 34.8% of the total wage-earning population), thirty years later there is a more balanced relationship (23.9 and 24.2 per cent, respectively), with the public services having 38.1 of the members and the private services having 36.3 per cent.

- as for the *contractual variables*, we only have the data provided by the Survey on Quality of Life at Work (ECVT) according to which, in 2010 unionism rates were reduced by half for unemployed and workers with temporary contracts and part time workers, while at the same time, it increased with company size and the existence of representation structures in the same (delegates, committees, union branches), with these last two variables having the greatest correlation rates with union membership.⁴³

The evolution and distribution of union membership are derived, therefore, from demand factors (company and employment structure, labour management models), just the opposite of that defended by labour deregulation and union de-legitimization ideologies. Such arguments blame labour market segmentation on supply factors, in other words, on the very workers themselves and unions who defend themselves without solidarity for others, marginalizing unemployed and peripheral workers.

These strategies of corporate management and legal deregulation of hiring have promoted labour market segmentation⁴⁴, creating a precariousness that hinders membership and collective action.⁴⁵ It is not the unions or the current model of social partnership and collective bargaining which has caused segmentation: quite to the contrary, they have undergone processes of integrated management and universal coverage, collectively articulating power resources from the centre in order to extend coverage of rights and collective guarantees to the periphery, as accredited by various European comparative studies.⁴⁶

Ultimately, the previously described trade union membership patterns coincide with those of European unionism, although the Spanish case may have a greater impact, given the specific features of its occupational structure (greater rates of unemployment and precariousness, large concentration of employment in micro-companies). By the same token, the crisis has highlighted other more cyclical and specific factors of the Spanish case such as the fragmentation of membership paths and increasing levels of instability and rotation of the same.

⁴³ CALLEJA, J.P. *Estrategias de revitalización de los sindicatos españoles*. Tesis Doctoral. Universidad de Valencia, 2016.

⁴⁴ PRIETO, C., ARNAL, M. and CAPRILE, M. *La calidad del empleo en España: una aproximación teórica y empírica*. Madrid: Ministerio de Trabajo, 2009.

⁴⁵ ALÓS, R., BENEYTO, P., JÓDAR, P. and VIDAL, S. "La dinámica sindical y las trayectorias de sus miembros". *Política y Sociedad*. Vol. 50, n.3, 2013, pp. 1065-1096.

⁴⁶ REGINI, M. "I mutamentinella regolazione del lavoro e il resistibile declino dei sindacati europei". *Stato e Mercato*, nú. 67, 2003, pp. 83-108; BENEYTO, P. "Presenza, audience e influenza sindacale. Il caso spagnolo". *Quaderni Rassegna Sindacale*. Vol. 33, n.1, 2008, pp. 87-111.

3.2. Representation

As indicated, associative and institutional resources of unions maintain close ties, with the *presence* in work centres and productive sectors (membership, organization), correlating with their electoral *audience* (structure and representation coverage) and with both the mechanisms and processes of *influence* (collective bargaining, institutional participation, social mobilization). In aggregate terms, the overall scope of said union indicators continues to be, in the Spanish case, a sequence that goes from a membership rate ranging from 16 to 19 per cent of the working population to that of representativeness that almost triples said figure and a collective bargaining coverage that practically quadruples it, at least until the limitations caused by the 2012 labour reform. The functionality of this dual channel system is ambivalent given the leading role that is conferred to the representative bodies (delegates and business committees), just as the universal effectiveness of that agreed by said bodies in collective bargaining may discourage membership and direct participation (free rider effect). It is also true that with this, the area of union influence is extended considerably and its social legitimacy is reinforced, operating even as a membership factor in companies and sectors with great representative implementation. The described correlation between membership and representation operates, therefore, in a complementary direction (*Table 4*), such that the mean coverage of the representation (57%) increases when there are members and decreases when there are none (75 and 19 per cent, respectively).

Table 4

Union representation in companies, 2010

Coverage rate

	YES	NO	DK/NC
TOTAL	47.4	37.2	15.3
ACCORDING TO SIZE OF WORK CENTRE			
From 1 to 9 employees	25.2	57.2	17.6
From 10 to 49	48.8	35.6	15.6

From 50 to 249	66.9	17.9	15.2
250 and more employees	81.9	9.6	8.5
ACCORDING TO ACTIVITY SECTOR			
Agriculture	31.6	43.5	24.9
Industry	57.0	31.6	11.4
Construction	31.5	52.8	15.7
Commerce and hotel industry	34.3	47.7	18.0
Transport and communications	59.7	31.6	8.7
Financial services	64.3	24.8	10.9
Business services	40.0	41.9	18.1
Public services	61.5	23.9	14.6
Personal and community services	17.5	62.2	20.2
UNION MEMBERSHIP			
Yes	75.4	19.0	5.6
No	40.9	41.5	17.6
TOTAL			
Projection over total wage earning population	7,104,700	5,578,600	2,295,900

Source: Ministry of Labour, ECVT

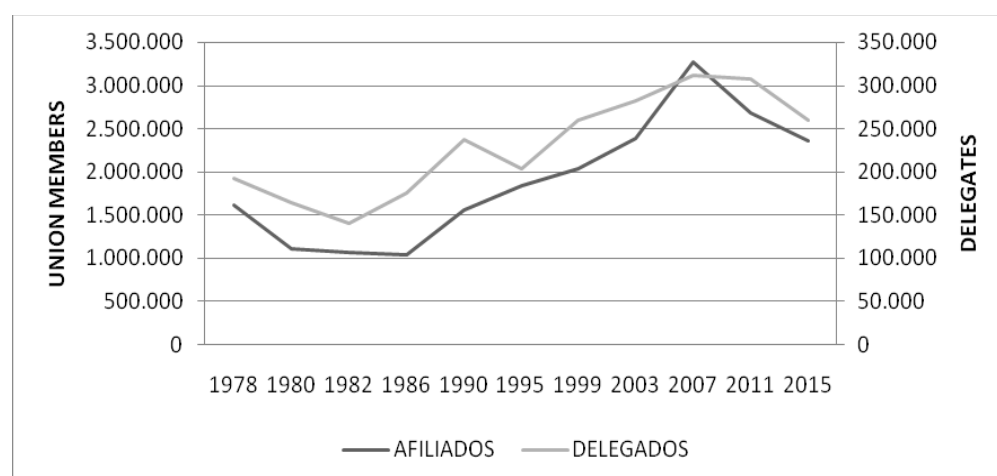
The follow-up and analysis carried out on the electoral data⁴⁷ highlights that the structure and evolution of the union representation has similar patterns as those that were described for membership (*Graph 2*), noting that during the expansive phase of the cycle (1995-2007) the coverage of union representation increased by 52.5%, until reaching 312,017 elected delegates, then lowering to 260,345 elected between 2011 and 2015, in a total of

⁴⁷ ALÓS, R., BENEYTO, P., JÓDAR, P., MOLINA, O. and VIDAL, S. *La representación sindical en España*. Madrid: Fundación 1º de Mayo, 2015; BENEYTO, P. *Reivindicación del sindicalismo*. Madrid: Bomarzo, 2012.

70,000 companies, having a total staff of 6,800,000 employees and a mean electoral participation rate of 67.9% of the staff.

Graph 2

Evolution of membership and union representation, 1978-2015



Left axis: evolution of number of members

Right axis: evolution of number of elected union delegates

Source: Spanish Ministry of Labour and trade unions SIC-CC.OO.

As for the coverage of representation and the evolution of its results, it should be noted that the regulatory policy of the system excludes companies whose staff consists of less than 6 employees, and, according to the corresponding directory of the National Statistics Institute, there are currently 1,187,234 such companies with a staff that exceeds three million wage earners. Therefore, the reference universe of the representation is made up of 245,000 companies and approximately twelve million workers, of which over half participate regularly in said elections.

Table 5**Workers representation, 1978-2015**

	Total Deleg.	CC.OO.		UGT		Others		Non members	
		No.	%	No.	%	No.	%	No.	%
1978	193,112	66,540	34.5	41,897	21.7	25,953	13.4	58,725	30.4
1980	164,617	50,817	30.8	48,194	29.3	22,053	13.4	43,553	26.5
1982	140,770	47,016	33.4	51,672	36.7	25,058	17.8	17,024	12.1
1986	175,363	59,230	33.8	69,427	39.6	33,998	19.4	12,708	7.2
1990	237,261	87,730	36.9	99,737	42.0	41,387	17.4	8,407	3.5
1995	204,586	77,348	37.8	71,112	34.7	49,495	24.2	6,631	3.2
1999	260,285	98,440	37.8	96,770	37.2	57,006	21.9	8,969	3.1
2003	283,075	110,208	38.9	103,805	36.7	69,062	24.4	---	---
2007	312,017	122,079	39.1	114,973	36.8	74,965	24.0	---	---
2011	308,463	116,431	37.7	110,540	35.8	81,492	26.4	---	---
2015	260,345	93,877	36.1	86,267	33.1	80,201	30.8	---	---

Source: Ministry of Labour and SIC-CC.OO.

With regards to the results of the union elections (*Table 5*), it should be noted, first, that the consolidation of CC.OO. and UGT as the two most broadly supported options (between both of them, we find more than two thirds of the total elected representatives) gives them the legal status of the “most representative organizations” overall, and thereby ensuring their intervention at all levels of collective bargaining and institutional participation. The crisis’ impact is also seen here, with a reduction in the total number of representatives elected and in some significant changes in their composition. In the first case, between 2007 and 2015 the coverage of union representativeness decreased by 16.5%, although not in a homogenous manner, with a greater decrease in the large confederations (-23.1% in CC.OO. and -24.9% in UGT) and recording slight increases for

the other minority and corporatist options. Finally, it is this accumulative representativeness in the elections held in the work centres that serves to legitimize the institutional power of the unions and their intervention in collective bargaining (*Table 6*), both for the companies and for the sectors, with predominating levels of coverage, despite the limitations imposed by the most recent labour reform.

Table 6

Union representation in collective bargaining (2007-2015)

	Agreements		Workers		Representatives	
	No.	%	No.	%	No.	%
2007						
CC.OO.	3,213	65.1	9,488,000	96.6	10,336	39.0
UGT	3,213	65.1	9,543,000	97.1	10,063	37.9
Others	1,585	32.1	2,830,000	28.8	4,480	16.9
Non members	713	14.4	147,000	1.5	1,657	6.2
Total	4,936	---	9,825,600	---	26,536	100.
2015*						
CC.OO.	1,601	64.0	5,135,800	97.9	8,591	39.8
UGT	1,593	63.7	5,129,400	97.8	8,382	38.8
Others	1,043	41.7	1,647,700	31.4	3,694	17.1
Non members	306	1.2	57,100	10.9	892	4.1
Total	2,501	---	5,247,500	---	21,559	100.

Source: CES and Spanish Ministry of Labour

(*) Provisional data

4. Conclusions

The associative resources of the unions (membership and representation) have revealed indicators that are particularly sensitive in evaluating both changes *in* the labour market environment (structural resources) as well as *regarding* labour relations (institutional resources). A study of their structure, evolution and trajectories is therefore quite relevant, particularly during periods of crisis. After reviewing the specialized literature on trade union membership in Europe, we have identified distinct variables (structural, circumstantial, institutional, sociodemographic) according to their impact on the same and recent evolution, finding that although there has been some generalized weakening the diversity between the main labour relation systems remains. In the specific case of Spain, empirical evidence allows us to question the clichés existing regarding the inexorable decline of unionism since, as we have verified, a major quantitative increase occurred during the upward phase of the economic cycle and it was resistant (yet not exempt from limits and even contradictions) during the recession, as well as on its capacity for adaptation to changes in occupational structure, given its membership patterns that are comparable to those of European unionism.

From peak to trough: Swedish strikes and lockouts in the first half of the twentieth century

Jesper Hamark¹

The Swedish labour market went through a remarkable transition in the first half of the last century: from wide-ranging militancy to quiescence. My suggestion is that the relative strengths of the three main ideologies within the labour movement—communism, syndicalism and social democracy—had an impact on the long-term decline in industrial strife. This idea is tested by examining quantitative conflict data in relation to intra-labour power balance. Whenever suitable, I make a distinction between strikes and lockouts.²

I do not disregard other explanations; the phenomenon of work stoppages is too complex to be explained by any one factor. But then again, why favour ideology? There are countless international studies both on strikes and on the labour movement's ideological evolution. But they hardly ever meet and I believe our understanding would improve if they did.

True, considerable attention has been given to the impact of left-wing governance and welfare distribution on strikes.³ But first, the results of these

¹ Earlier versions of the article were presented at the 38th Annual Conference of the Social Science History Association in Chicago, 2013, and the 3rd International Conference on Strikes and Social Change in Barcelona, 2015. I am indebted to the participants for their constructive remarks. In addition, I am grateful for valuable, critical comments by Klas Rönnbäck, Christer Thörnqvist, Sjaak van der Velden and two anonymous referees.

² On the common procedure *not* to separate strikes and lockouts, see VAN DER VELDEN, Sjaak. "Lockouts in the Netherlands: Why Statistics on Labour Disputes Must Discriminate Between Strikes and Lockouts, and Why New Statistics Need to Be Compiled". *Historical Social Research*. n.31, 2006, pp. 341-62.

³ HIBBS, Douglas A. Jr. "On the Political Economy of Long-Run Trends in Strike Activity". *British Journal of Political Science*. Vol.8, n.2, 1978, pp. 153-75; KORPI, Walter and SHALEV, Michael. "Strikes, Industrial Relations and Class Conflict in Capitalist Societies". *British Journal of Sociology*. Vol. 30, n.2, 1979, pp. 164-87; KORPI,

studies are anything but clear-cut⁴ and second, their focus on labour's access to parliamentary power tends to obscure the fact that "labour" does not form an ideological entity.⁵

My hypothesis is that ideology makes a difference whether "labour" reaches the political echelons or not. If reformism dominates the labour movement, conflicts will be fewer than if ideologies endorsing revolution do so. My argument questions the most influential interpretation⁶ of the transformation of the Swedish labour market—a hypothesis derived from the power resources theory.

[The] hypothesis is that to the extent that the working class [...] is able to achieve strong and stable control over the executive, the conflicts of interest between labor and capital will increasingly be fought out in the political arena and industrial conflict will decline.⁷

According to power resources theorists Walter Korpi and Michael Shalev such a shift occurred in Sweden in the mid-1930s.

I propose that lockouts lost their sting in the second half of the 1920s, because of the shifting power balance between the Swedish Confederation of Trade Unions, LO, and the Swedish Employers' Confederation, SAF. That said, ideology was by no means marginal for the development of lockouts—which were used to target the left opposition within the labour movement. Again my proposal is incompatible with the power resources

Walter and SHALEV, Michael. "Strikes, Power, and Politics in the Western Nations, 1900-1976". *Political Power and Social Theory*. n.1, 1980, pp. 301-34; ROSS, Arthur. M. and HARTMAN, Paul T. *Changing Patterns of Industrial Conflict*. New York: Wiley, 1960.

⁴ EDWARDS, P. K. "The Political Economy of Industrial Conflict: Britain and the United States". *Economic and Industrial Democracy*. n.4, 1983, pp. 464-465.

⁵ For an elaboration on the ideological tensions within the Swedish labour movement, see OLSEN, Gregg M. *The Struggle for Economic Democracy in Sweden*. Aldershot: Avebury, 1992, ch. 4.

⁶ SWENSON, Peter A. "Solidaritet mellan klasserna Storlockouten och Saltsjöbadsandan". In LUNDH, Christer, ed. *Nya perspektiv på Saltsjöbadsavtalet*. Stockholm: SNS förlag, 2009, p. 42. See also e.g. BERGHOLM, Tapio and JONKER-HOFFRÉN, Paul. "Farewell to Communist Strike Hypothesis?: The Diversity of Striking in Finland between 1971-1990". In DO PAÇO, António Simões, VARELA, Raquel and VAN DER VELDEN, Sjaak, eds. *Strikes and Social Conflicts: Towards a Global History*. 2nd ed. Lisbon: International Association Strikes and Social Conflict, 2012, p. 403; EDWARDS, P.K. "The Political Economy of Industrial Conflict: Britain and the United States". Op. Cit., p. 463; FRANZOSI, Roberto. "One Hundred Years of Strike Statistics: Methodological and Theoretical Issues in Quantitative Strike Research". *Industrial and Labor Relations Review*. Vol. 42, n.3, 1989, p. 355; FULCHER, James. *Labour Movements, Employers, and the State: Conflict and Co-operation in Britain and Sweden*. Oxford: Clarendon Press, 1991, pp. 144-46; HUMPHRIES, Craig. "Explaining Cross-National Variation in Levels of Strike Activity". *Comparative Politics*. n.22, 1990, pp. 167-84.

⁷ KORPI and SHALEV. "Strikes, Power, and Politics in the Western Nations, 1900-1976". Op. Cit., p. 308.

hypothesis, PRH, which claims that lockouts ended in the mid-1930s when capital was confronted with a left-wing government.

Why Sweden? Korpi and Shalev have given it special attention, offering this motivation:

Since Sweden is sometimes considered to be a “prototype of modern society”, [it] should be of wider relevance. Moreover, because the level of industrial conflict in Sweden has dramatically changed over the years, Sweden can be regarded as something of a strategic research site for the study of factors influencing the level of industrial strife.⁸

There is another, related reason: the PRH “is largely based upon an interpretation of the long-term evolution of industrial conflict in Sweden”.⁹ In this respect Sweden constitutes a “strategic research site” not only for strikes and lockouts as such, but also for the PRH.

Since I am interested in the long-run development of conflicts, I start at the earliest date possible: 1903. This was the year when the Swedish authorities started to collect data—data which earlier studies have found to be, first and last, of good quality.¹⁰ After 1955 the quality deteriorates,¹¹ but for the purpose of the present study there is no need to continue after 1950—by that time the Swedish labour market was well into quiescence.

Stoppages of work in Sweden 1903-1950: the empirical facts

There are several ways of measuring strikes and lockouts, but no universal agreement on which is preferable.¹² I present the three most common measurements: frequency, involvement and volume, all given in relation to the number of employees.¹³

FIGURE 1 Relative frequency: stoppages of work per million employees. Sweden, 1903-1950

⁸ KORPI and SHALEV. “Strikes, Industrial Relations and Class Conflict in Capitalist Societies”. *Op. Cit.*, p. 166.

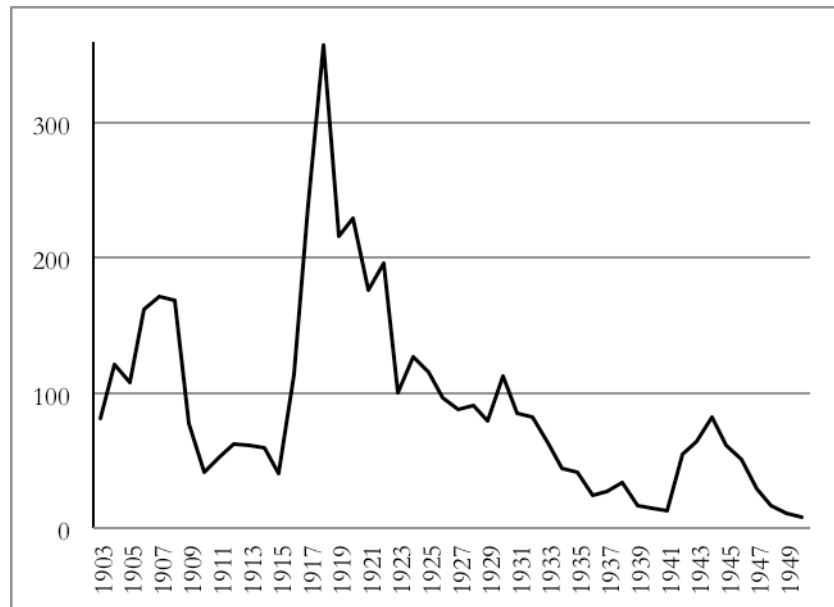
⁹ *Ibid.*, p. 171.

¹⁰ See e.g. MIKKELSEN, Flemming. *Arbejdskonflikter i Skandinavien 1848-1980*. Odense: Odense Universitetsforlag, 1992, p. 441.

¹¹ THÖRNQVIST, Christer. *Arbetarna lämnar fabriken: Strejkrörelser i Sverige under efterkrigstiden, deras bakgrund, förlopp och följder*. Göteborg: Historiska inst., 1994, p. 91

¹² See e.g. VAN DER VELDEN. “Lockouts in the Netherlands: Why Statistics on Labour Disputes Must Discriminate Between Strikes and Lockouts, and Why New Statistics Need to Be Compiled”. *Op. Cit.*

¹³ Often the number of *non-agricultural* employees is used to standardize conflict activity, for a discussion see HAMARK, Jesper. *Ports, Dock Workers and Labour Market Conflicts*. Gothenburg: University of Gothenburg, 2014, p. 41.



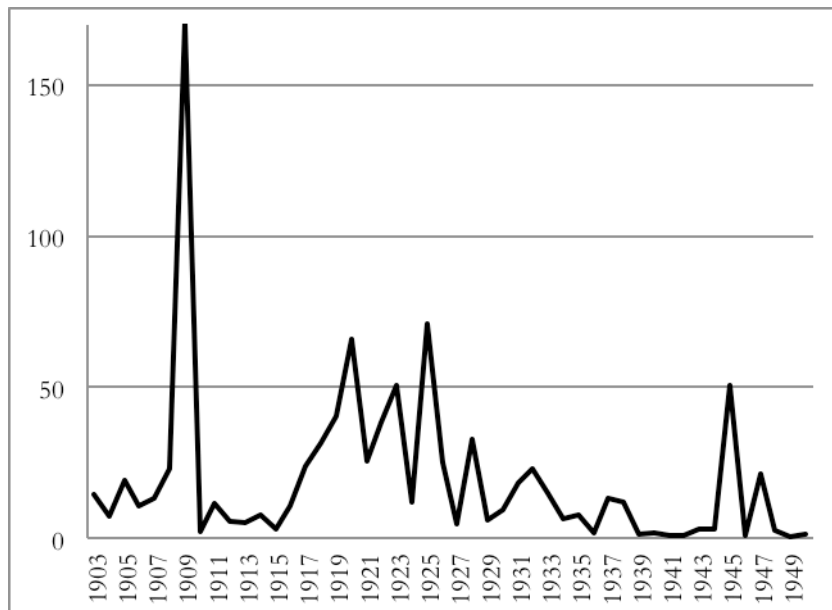
Sources: KOMMERSKOLLEGIUM. *Arbetsinställelser...* series E:1-E:4; SOCIALSTYRELSEN. *Arbetsinställelser...* 1911-1938*; STATISTICS SWEDEN. *Statistical Yearbook of Sweden*, 1939-1950*; <http://historicalstatistics.org/>, edited by Rodney Edvinsson.

* Refer to year of data, not year of publication.

The frequency of stoppages increases in the beginning of the period, but drops after the workers' crushing defeat in the 1909 General Strike (Figure 1).¹⁴ During WWI, the number of stoppages explodes and reaches an all-time high in 1918. From that time on the trend falls.

¹⁴ HAMARK, Jesper and THÖRNQVIST, Christer. "Docks and Defeat: The 1909 General Strike in Sweden and the Role of Port Labour". *Historical Studies in Industrial Relations*. n.34, 2013.

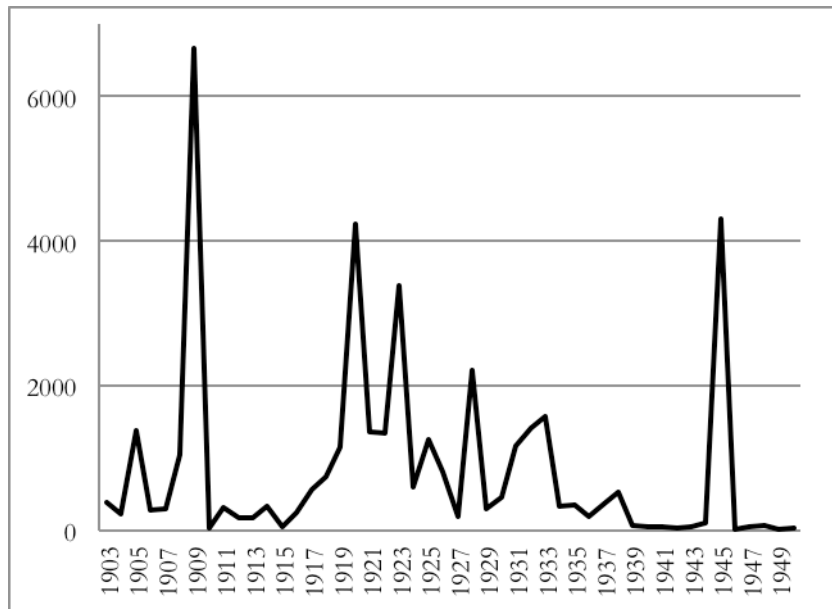
FIGURE 2 Relative involvement: workers involved in stoppages of work per thousand employees. Sweden, 1903-1950



Sources: see Figure 1.

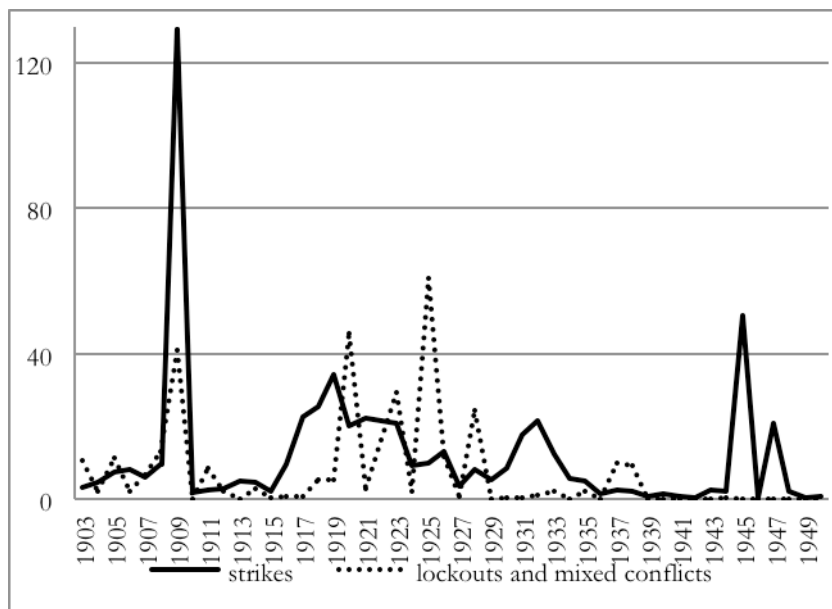
Involvement (Figure 2) and volume (Figure 3) in 1909 by far surpasses every other year. During WWI there are increases with new, post-General Strike records in 1920 and 1925. From these years onwards the trends demonstrate a decline. (The upsurge in 1945 is due to a single strike in engineering, discussed below.)

FIGURE 3 Relative volume: days lost in stoppages of work per thousand employees. Sweden, 1903-1950



Sources: see Figure 1.

FIGURE 4 Relative involvement: workers involved in strikes and lockouts/mixed conflicts per thousand employees. Sweden, 1903-1950



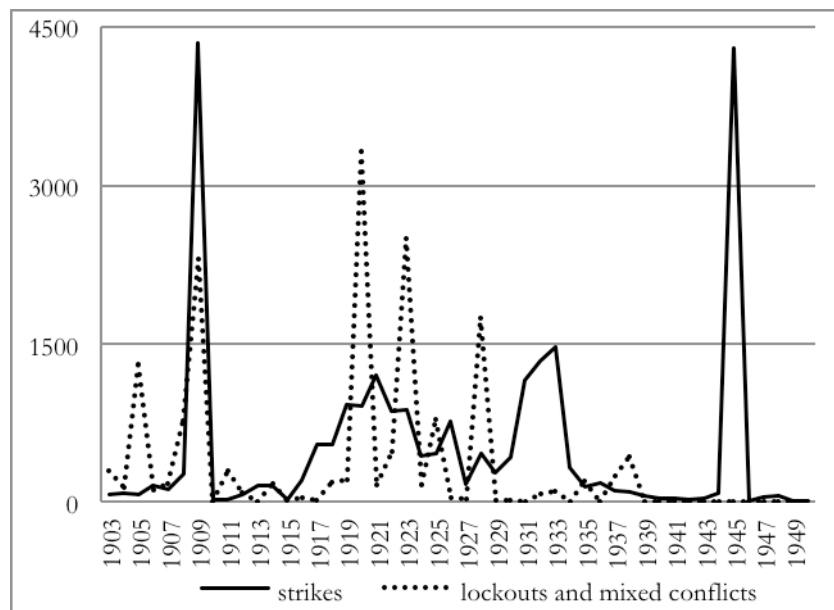
Sources: see Figure 1.

Note: “Mixed” refer to conflicts involving both a strike and a lockout or to situations where the parties perceive the character differently.

Figure 4 and Figure 5 show that lockouts together with mixed conflicts constitute an important share of total stoppages in the 1900s and the 1920s¹⁵—but also that major lockouts vanish by the end of the 1920s. Strike volume on the other hand reaches post-General Strike record level in the early 1930s.

The high activity during and immediately after WWI was an international phenomenon.¹⁶ Sweden was ahead of the cycle, probably because it did not take an active part in the war, and hence there was less pressure on Swedish labour to act “in the interest of the nation”.

FIGURE 5 Relative volume: days lost in strikes and lockouts/mixed conflicts per thousand employees. Sweden, 1903-1950



Sources: see Figure 1.

TABLE 1 Workers involved per conflict, averages. Sweden, 1903-1950

¹⁵ The number of lockouts is but a tiny part of total stoppages, and therefore frequency of stoppages is of little use to separate.

¹⁶ HIBBS. “On the Political Economy of Long-Run Trends in Strike Activity”. Op. Cit.

Workers of the World, Volume I, Number 9, May 2018, p. 138-167

Character	Workers involved
strike	147
lockout	1 074
mixed conflict	569

Sources: KOMMERSKOLLEGIUM. *Arbetsinställelser...* series E:1-E:4. Op. Cit.; SOCIALSTYRELSEN. *Arbetsinställelser...* 1911-1938. Op. Cit.; STATISTICS SWEDEN. *Statistical Yearbook of Sweden*, 1939-1950. Op. Cit.

In accordance with theoretical expectations, Table 1 shows that on average a lot more workers were involved in lockouts than in strikes.

Industrial strife and ideology

A few researchers have studied the influence of ideology on strike activity.¹⁷ Nonetheless, this perspective is somewhat of a Cinderella. Roberto Franzosi's thoughtful *The Puzzle of Strikes* provides an illustration: Franzosi gives credit to the complexity of industrial strife and yet, when he summarizes different theories on strikes, there is one aspect missing: ideology.¹⁸

What is the rationale for arguing that ideology affects strike records? After all, except for times of deep political crisis, workers do not strike with the aim of replacing the current socio-economic system. Most of the time

¹⁷ BERGHOLM and JONKER-HOFFRÉN. "Farewell to Communist Strike Hypothesis?: The Diversity of Striking in Finland between 1971-1990". Op. Cit.; HIBBS, Douglas A. Jr. "Industrial Conflict in Advanced Industrial Societies". *The American Political Science Review*. Vol. 70, 1976, pp. 1033-58; KNOWLES, K. G. J. C. *Strikes: A Study in Industrial Conflict with Special Reference to British Experience between 1911 and 1947*. Oxford: Basil Blackwell, 1952, ch. 2, section 1; ROSS and HARTMAN. *Changing Patterns of Industrial Conflict*. Op. Cit., pp. 66-67. For Swedish studies, see OLSSON, Tom. *Pappersmassestrejken 1932: En studie av facklig ledning och opposition*. Lund: Arkiv, 1980; STRÅTH, Bo. *Varvsarbetare i två varvsstäder: En historisk studie av verkstadsklubbarna vid varven i Göteborg och Malmö*. Göteborg: Sv. Varv, 1982.

¹⁸ FRANZOSI, Roberto. *The Puzzle of Strikes: Class and State Strategies in Postwar Italy*. Cambridge: Cambridge University Press, 1995, pp. 7-12.

striking is a costly last resort to achieve a more decent life here and now. The rationale is the following:

Grievances can be assumed to be present at every workplace, but only rarely are they transformed into collective action. In the words of Douglas Hibbs, “Communist parties [are] important agencies for the mobilization of latent discontent and the crystallization of labour-capital cleavages [and they] will have a systematic impact on strike activity.”¹⁹ The communists’ goal is to bury capitalism. It requires massive mobilization. For communists, battles *within* the system provide opportunities to mobilize and to politicize, with the objective to transform them into battles *against* the system.²⁰

Strikes and intra-labour movement ideologies: Syndicalism

The reformist-dominated LO, founded in 1898, was challenged in 1910 by the syndicalist confederation SAC. SAC practiced decentralization and direct democracy, and it declared itself to be a militant organization of class struggle.²¹ The imperative struggle was about property, not about politics, and must therefore be conducted in the industrial sphere—where strikes were held to be the main means. And yet the individual strikes in themselves had little value. Their *raison d'être* was to provide training before the final showdown: the *general* strike, which would pave the way for a social revolution.

For each work stoppage in 1917-1927, authorities noted whether workers were unionized and, if so, in which union(s). This means that SAC strikes can be related to total strikes. I have chosen to compare frequency and involvement in the first and the last three-year periods.²² In 1917-1919, the number of SAC strikes amounted to one-fourth of all strikes. Strike frequency fell throughout the 1920s and Table 2 reveals that SAC strikes fell even faster: its share shrank to 17% in 1925-1927. SAC’s portion of worker involvement also fell, from one-fifth to one-tenth.

TABLE 2 Syndicalist (SAC) strikes. Sweden 1917-1927

¹⁹ HIBBS. “Industrial Conflict in Advanced Industrial Societies”. Op. Cit., p. 1053. True, Hibbs was taking about European communist parties in the 1950s and 1960s—at that time “no longer revolutionary in the traditional Marxist sense”. Hibbs’ reasoning will have no less relevance when communists were revolutionaries, as in inter-war Sweden.

²⁰ The same strategy is used by other revolutionary groups (whether labeled communist or not), including Swedish syndicalists up to the early 1920s.

²¹ PERSSON, Lennart K. *Syndikalismen i Sverige 1903-1922*. Stockholm: Federativ, 1975, pp. 159-60, 170-71; PERSSON, Lennart K. “Revolutionary Syndicalism in Sweden before the Second World War”. In VAN DER LINDEN, Marcel and THORPE, Wayne, eds. *Revolutionary Syndicalism: An International Perspective*. Worchester: Scolar Press, 1990, pp. 87-92.

²² Volume is left out because of deficiencies in the individual stoppages of work reports.

Period	Frequency of strikes		Workers involved in strikes		SAC's share of total strike	
	SAC	Total	SAC	Total	Frequency	Involvement
1917-1919	373	1,540	31,100	165,400	24%	19%
1925-1927	96	566	4,900	56,100	17%	9%

Sources: SOCIALSTYRELSEN. *Arbetsinställelser...* 1911-1938. *Op. Cit.* 1917-1919, 1925-1927.

Note: Strikes where SAC was involved jointly with other unions are counted as SAC strikes.

SAC's contribution to total strike activity can be related to its organizational size.

TABLE 3 SAC and LO membership. Sweden 1917-1927

Period	Members, yearly averages		
	SAC	LO	Relation SAC/LO
1917-1919	19,800	222,300	8.9%
1925-1927	35,100	412,700	8.5%

Sources: KJELLBERG, Anders. *Facklig organisering i tolv länder*. Lund: Arkiv, 1983, p. 269; PERSSON, Lennart K. "Revolutionary Syndicalism in Sweden before the Second World War". In VAN DER LINDEN, Marcel and THORPE, Wayne, eds. *Revolutionary Syndicalism: An International Perspective*. Worchester: Scholar Press, 1990, p.85.

The number of SAC members in 1917-1919 was 9% of that of LO. During the 1920s, SAC's membership increased and in relation to LO, SAC only

marginally lost ground. Thus we cannot attribute the drop in absolute and relative syndicalist strike activity to a fall in the organizational strength of SAC.

The decline is better understood as an ideological makeover, which started slowly in 1918 and continued until 1922. Based on international experience of rebellions against capitalism, SAC leaders now claimed that the social revolution, still *revolutionary in character*, must be *evolutionary in form*. Lennart K. Persson has summarized the new deal:

Socialism could not be realized with a stroke of the pen. It evolved as the result of an organic process from below. [...] Workers' power could only grow if geared to gaining an ever-increasing control over (and workers' participation in) industry. Step by step, this struggle would finally lead to the complete takeover of production and distribution, thus to the elimination of all capitalist elements.²³

With this revised ideology it was logical that conflict strategy changed.²⁴ Now the disadvantages of strikes were stressed, for instance that most of them were lost even in the case of victory, since forgone wages were not compensated for by pay increases. Instead syndicalist frontrunners promoted another means of struggle: *the register*.²⁵ It was the syndicalist alternative to collective agreements and shorthand for SAC's aim to gradually take control of workplaces, raising wages, distributing work and limiting competition among its members. Of especial strategic importance was increasing industrial control, which was seen as a partial expropriation of capital and the way towards complete expropriation. Evolution replaced revolution and the register was preferred to striking.

The emphasis of the negative aspects of strikes by prominent syndicalists went so far that in the early 1920s SAC was criticized by the communists for being *opponents* of strikes.²⁶ Opponents or not, the decline in SAC strikes fit well with its new ideological/strategic vision.

Power resources

²³ PERSSON. "Revolutionary Syndicalism in Sweden before the Second World War". Op. Cit., p. 89.

²⁴ PERSSON. *Syndikalismen i Sverige 1903-1922*. Op. Cit., pp. 204-6, 254, 258-65.

²⁵ A related English concept is "encroaching control".

²⁶ PERSSON. *Syndikalismen i Sverige 1903-1922*. Op. Cit., p. 254.

Before continuing with the other two branches of labour, it is time for an interlude: the dominant explanation for the long-run conflict decline. The power resources theory, PRT, holds that in the sphere of production, power resources²⁷ are varying yet unequally distributed in favour of capitalists.²⁸ The control of capital is challenged by the workers' main resources: industrial and political organization. It is presumed that the greater the level of unionization and the greater the electoral strength of the left, the greater are the power resources of the working class. Also assumed important is the connection between the union and the political left wing. The PRT suggests that the variance in the balance of strength between labour and capital affects a range of social outcomes, such as welfare policy and unemployment level.

When labour is strong enough to win governmental power, it can shift the focus of class struggle: *industrial exchange* between the classes is replaced by *political exchange*. With stable, left wing governments able to dictate worker-friendly policies, costly strikes lose in attractiveness. Political power could be used to "redistribute the result of production [and] the level of employment could be raised, reducing the spectre of unemployment".²⁹ Consequently, countries experiencing stable, left-wing governments and strong unions have seen a long-term downturn in the level of industrial strife, as opposed to countries where these conditions have not prevailed.³⁰ This is the specific PRH, derived from the theory.

Note that for political exchange to take place, two prerequisites are necessary. First, labour's power within politics must be secure. Only with *stable* left-wing governments, could unions be expected to deliver peace in the labour market. (*Temporary* left-wing governance is assumed to increase the level of conflict, since workers will take the opportunity to put maximum pressure on friendly, but short-lived governments.) Second, there must be substantial coordination between the political and the union branch

²⁷ Defined as "the ability of actors to reward and punish other actors". KORPI and SHALEV. "Strikes, Power, and Politics in the Western Nations, 1900-1976". Op. Cit., p. 305.

²⁸ Ibid.

²⁹ KORPI, Walter. *The Democratic Class Struggle*. London: Routledge & Kegan Paul, 1983, p. 47.

³⁰ KORPI and SHALEV. "Strikes, Industrial Relations and Class Conflict in Capitalist Societies". Op. Cit., pp. 180-84. For similar arguments, see HIBBS. "On the Political Economy of Long-Run Trends in Strike Activity". Op. Cit., pp. 154, 165; MIKKELSEN. *Arbejdskonflikter i Skandinavien 1848-1980*. Op. Cit., p. 411; ROSS and HARTMAN. *Changing Patterns of Industrial Conflict*. Op. Cit., pp. 68, 112; SHORTER, Edward and TILLY, Charles. *Strikes in France, 1830-1968*. London: Cambridge University Press, 1974, p. 328.

of the labour movement, and the unions must have authority enough to discipline their members.³¹

The power resources hypothesis and the end of Swedish labour market conflicts

According to Korpi and Shalev a sharp drop in the level of labour market conflicts in Sweden occurred in the mid-1930s, a few years after the Social Democratic Party, SAP, came into office.³² Over two decades ago their empirical claim was briefly questioned by James Fulcher who pointed out that “strike frequency had been declining steadily since the early 1920s” and that “worker-days-lost had been in decline as well”.³³ The critique could be made more comprehensive. First, Korpi and Shalev might argue that neither of the measurements discussed by Fulcher is the most appropriate, since they themselves are mainly interested in workers involved.³⁴ Second, even though Fulcher speaks of “strikes”, he is really talking about *stoppages*. A sharper critique distinguishes between strikes and lockouts. Third, there is an ambiguity in the writings of Korpi and Shalev that has not yet received attention: was the labour movement *stable* in political power in 1932 or only in 1936, when the social democrats won their second-in-a-row election? Let us start with the ambiguity:

Sweden had had social democrats in governance before, but the “government which came to power in 1932 enjoyed”, state Korpi and Shalev, “much stronger electoral backing”.³⁵ This forms the basis for their idea that the 1932 government was a stable one (recall: stability is required for the switch from the industrial to the political arena to take place): “It appears that in these years, the feeling was growing that this time the Social Democrats had come to stay in a governing position.”³⁶ Of course, in retrospect one might claim that the SAP government of 1932 was stable,

³¹ KORPI and SHALEV. “Strikes, Industrial Relations and Class Conflict in Capitalist Societies”. Op. Cit., pp. 179-80.

³² *Ibid.*, pp. 168, 171. See also KORPI, Walter. *The Working Class in Welfare Capitalism: Work, Unions and Politics in Sweden*. London: Routledge & Kegan Paul, 1978, pp. 96, 98, 393-94n; KORPI and SHALEV. “Strikes, Power, and Politics in the Western Nations, 1900-1976”. Op. Cit., pp. 320-21.

³³ FULCHER. *Labour Movements, Employers, and the State: Conflict and Co-operation in Britain and Sweden*. Op. Cit., pp. 145-46.

³⁴ KORPI and SHALEV. “Strikes, Industrial Relations and Class Conflict in Capitalist Societies”. Op. Cit., pp. 176, 186n.

³⁵ *Ibid.*, p. 171.

³⁶ *Ibid.*, p. 172. Prime Minister Per Albin Hansson’s biographer, Anders Isaksson, makes a different judgment, that the predominant feeling after the 1932 election was that the new government would be rather short-lived. See ISAKSSON, Anders. *Per Albin, 4: Landsfädern*. Stockholm: Wahlström & Widstrand, 2000, p. 236.

since today we know for a fact that the social democrats won elections for an additional 40 years. It is not very convincing, though.

It appears as if Korpi and Shalev themselves found their line of reasoning disturbing. A year after their 1979 article, they wrote that “prior to 1936 political exchange was not yet a realistic alternative to strike activity for the labour movement”³⁷, and according to Shalev it was “the decisive political victory of the Social Democrats in 1936 [that] opened up a new ‘conflict strategy’ for the Swedish working class”.³⁸

It should also be noted that the statement about the “much stronger electoral backing” of the 1932 government is debatable in itself. When SAP formed the government after the 1924 election, the party had 104 seats out of 230 in the Second Chamber—incidentally the same relation prevailed after the 1932 election. Neither in 1924 nor in 1932 did the combined seats of social democrats and communists—who could be expected to at least passively support a social democratic government—suffice to reach a majority in the Second Chamber.³⁹ Without doubt Korpi and Shalev’s later, “1936 version” makes much more theoretical sense and I will brace myself against that one.⁴⁰

Consider first the lockouts. According to Korpi “the well-organized Swedish employers had frequently resorted to lockouts [...] up to the middle of the 1930s. With a Social Democratic government, lockouts became difficult to use successfully, and have tended to disappear”.⁴¹ But the last lockouts of magnitude launched during our period were in 1928, when 49,000 workers were locked out (53,000 if we also include workers in mixed conflicts).⁴² Between 1929 and 1936, on average 125 (sic) workers a year were locked out. The PRH does not do any better if we instead look at

³⁷ KORPI and SHALEV. “Strikes, Power, and Politics in the Western Nations, 1900-1976”. Op. Cit., p. 322. Consequently, in a regression with left-wing cabinet seats on workers involvement, the independent variable left-wing cabinet seats is set to zero for all years before 1936. See also SHALEV, Michael. “Industrial Relations Theory and the Comparative Study of Industrial Relations and Industrial Conflict”. *British Journal of Industrial Relations*. Vol. 18, n.1, 1980, p. 31.

³⁸ Ibid., p. 31.

³⁹ STATISTISKA CENTRALBYRÅN. *Riksdagsmannavalen åren 1929-1932*. Stockholm: P. A. Norstedt & Söner, 1933, p. 67.

⁴⁰ Empirically their initial, theoretically weaker “1932 version” performs better, though still rather poorly.

⁴¹ KORPI. *The Working Class in Welfare Capitalism: Work, Unions and Politics in Sweden*. Op. Cit., p. 96.

⁴² SOCIALSTYRELSEN. *Arbetsinställelser... 1911-1938*. Op. Cit., p.17.

volume. In 1928 there were 3.6 million lockout-days whereas in the following years, 1929-1936, there were 47,000 of them—in total.⁴³

The strike trend also speaks against Korpi and Shalev. Figure 1 reveals that the strike frequency⁴⁴ trend declines throughout the period, and it is hard to detect any trend break in the mid-1930s. If anything, there is a break after 1923 when the rate of decrease in the number of strikes per million employees becomes slower. Focusing instead on decrease calculated as a percentage, things at first look better for Korpi and Shalev. From this perspective, frequency fell faster in the mid-1930s than in almost any other period.⁴⁵ Yet, it should be of little comfort to the PRH. From its peak in 1918, frequency fell by nearly nine-tenths until 1935.⁴⁶ The fact that frequency, expressed as a percentage, decreased even more on an annual basis after 1935 is not important, since the great share of the total decline is timed in a way Korpi and Shalev cannot explain. Also, neither of the other activity measurements offers the PRH any relief. By the time SAP won their second election in 1936, the relative strike volume was just over a quarter of the yearly average for 1920-1935, and relative strike involvement was lower than in any previous year.⁴⁷

Strikes and intra-labour movement ideologies: Communism

The socialist labour movement split in 1917. The strong oppositional minority within SAP had become organizationally cornered, and it formed a new party in 1921 relabelled the Communist Party of Sweden, SKP, when it also became a section of the Comintern. Unlike the syndicalists, SKP worked inside the LO-affiliated unions. The specific union tactics changed a few times in response to shifts in the policy of Comintern, but the Swedish communists were constantly criticizing the LO leadership for being soft on capital; they perpetually argued in favour of a more militant union policy, and their strategic goal was always to win hegemony within LO.

The influence of SKP grew during the 1920s and from 1926 onwards one could talk about an organized communist opposition.⁴⁸ SKP did not dominate any of the national unions, but it controlled one fifth of the local

⁴³ *Ibid.*

⁴⁴ Strictly speaking *stoppages*, but see note 15.

⁴⁵ KORPI and SHALEV. "Strikes, Industrial Relations and Class Conflict in Capitalist Societies". Op. Cit., p. 167; confirmed by my calculations.

⁴⁶ SOCIALSTYRELSEN. *Arbetsinställelser... 1911-1938*. Op. Cit.

⁴⁷ *Ibid.*

⁴⁸ CASPARSSON, Ragnar. *LO under fem årtionden, Andra delen: 1924-1948*. Stockholm: Tiden, 1951, p. 64; DE GEER, Hans. *Arbetsgivarna: SAF i tio decennier*. Stockholm: Svenska arbetsgivareföreningen, 1992, p. 84.

branches in unions affiliated to LO. The leaders of LO were concerned: the reformist supremacy over the Swedish trade union movement appeared to be threatened.⁴⁹

By the end of the 1920s, SAP and LO changed their policy vis-à-vis the communists: from one of ambivalence, to one of rejection. Anti-communism became a “comparative advantage” of the social democrats.⁵⁰ Communists were threatened by expulsion from LO and in the 1930s the threat was realized, when both individuals and local branches were banished. The new reformist policy struck a considerable blow to SKP, which was split in 1929.⁵¹ Moreover, from 1933 onwards the unions affiliated to LO all became more centralized: decision-making was removed from the members (through referenda) and the local branches to the national boards.⁵² Still being relatively strong at the branch level, but with little power on the national boards, the communists lost further influence.⁵³

In what way did communism affect strike activity? It might well be that local branches dominated by communists struck more often than those where reformists had hegemony, but since the official statistics do not discriminate between conflicts based on the strikers’ ideology, there is no easy way to test the idea. Klas Åmark has suggested that the communists played an important role in the majority of the *larger* conflicts from the mid-1920s well into the crisis of the 1930s.⁵⁴ “Larger” could imply involvement or—my choice—volume.⁵⁵

⁴⁹ KENNERSTRÖM, Bernt. *Mellan två internationaler: Socialistiska Partiet 1929-37*. Lund: Arkiv för studier i arbetarrörelsens historia, 1974, pp. 20-21.

⁵⁰ SCHÜLLERQVIST Bengt. *Från kosackval till kohandel: SAP:s väg till makten 1928-33*. Stockholm: Tiden, 1992, ch. 6-8, and especially pp. 99 and 236n.

⁵¹ As a result, Sweden had two nominal communist parties for a few years: one belonging to the Comintern and one trying to maneuver somewhere between reform and revolution—later relabeled the Socialist Party. Here, “communists” refer to both.

⁵² ANDERSSON, Sten. “Kommunisternas ‘makt’ inom svensk politik och fackföreningsrörelse: En problematisering av ett spännande forskningsfält”. In BLOMBERG Eva, HORGBY, Björn and KVARNSTRÖM, Lars, eds. *Makt och moral: En vänbok till och med Klas Åmark*. Linköping: Avd. för historia, Univ, 1998, p. 253; HADENIUS, Axel. *Facklig organisationsutveckling: En studie av Landsorganisationen i Sverige*. Stockholm: Rabén & Sjögren. 1976, pp. 125-126.

⁵³ ÅMARK, Klas. *Facklig makt och fackligt medlemskap: De svenska fackförbundens medlemsutveckling 1890-1940*. Lund: Arkiv förlag, 1986, p. 141.

⁵⁴ Ibid., pp. 138, 141.

⁵⁵ Volume is more convenient because it allows me to rely mostly on official statistics. For a discussion on the alternative use of involvement, see Hamark. *Ports, Dock Workers and Labour Market Conflicts*. Op. Cit., pp. 164-165.

TABLE 4 The largest work stoppages by absolute volume. Sweden 1926-1950

Trade	Year	Character	Days lost
engineering	1945	strike	c.11,000,000-13,500,000 ⁵⁶
building	1933-34	strike ⁵⁷	3,130,000
paper pulp ⁵⁸	1928	lockout	2,700,000
textile	1931	strike	2,100,000
mining	1928	strike and lockout	1,500,000
paper pulp	1932	strike	1,400,000

Sources: CASPARSSON. *LO under fem årtionden, Andra delen: 1924-1948*. Op. Cit., pp. 97-100; SOCIALSTYRELSEN. *Arbetsinställelser...1911-1938*. Op.Cit.; STATISTICS SWEDEN. *Statistical Yearbook of Sweden, 1939-1950*. Op.Cit. My calculations.

Table 4 shows the largest conflicts from 1926 to 1950, from the first year of organized communist opposition well into the era of quiescence, in other words the period suggested by Åmark is extended. Arbitrarily I have included only conflicts with more than 1,000,000 days lost.⁵⁹

⁵⁶ According to STATISTICS SWEDEN, p. 247, there were *in total* 11.3 million days lost in 1945, whereas a later public inquiry stated that 13.5 million days were lost in the engineering strike alone (SOU [1984:19](#). *Arbetsmarknadsstriden II: en kartläggning av arbetsmarknadskonflikter i det moderna samhället*. Stockholm. 1984, pp. 35, 175—a source quoted by KJELLBERG, Anders. “Storkonflikten 1980 och andra stora arbetsk konflikter i Sverige”. *Arbetsmarknadshistoria*, 138-139, 2011, p. 34). Note that I have used the lower estimation in Figure 3 and 5.

⁵⁷ The building conflict contained also a lockout. However, SOCIALSTYRELSEN. *Arbetsinställelser...1911-1938*. Op.Cit. does not mention the lockout in its written report (pp. 138-43); probably because the lockout was very small in comparison to the strike (p. 16).

⁵⁸ The conflict started in paper pulp mills, but was spread through sympathy lockouts to paper- and sawmills.

⁵⁹ Apart from one million being a nice number, conflicts below the threshold are not only trickier to quantify with precision, but they are also more difficult to assess in terms of the ideological balance of power. Partly because there are no individual strike/lockout reports

Before discussing the individual conflicts, it is necessary to explain the method for assessing communist strength.⁶⁰ By the end of the 1920s, the communists had, according to a study by Lennart Gärdvall, their largest influence within paper pulp, mining, sawmilling, building and engineering,⁶¹ that is, with the exception of the textile sector, all trades listed in the table are covered. Although intuitively not a poor indicator of communist influence on conflicts, for my purposes it is not sufficient. Rather, it must be made credible that the communists affected decisions to strike, decisions to keep on striking, and—more generally—decisions to turn down settlements with the employers.

In 1928, the last major inter-war lockout was imposed, targeting wages in paper pulp. The Conciliation Commission proposed two settlements, both of which were accepted by the negotiators of the Paper Industry Workers' Union, only to be outvoted twice by the members. A proposal to give the union's negotiators authorization to reach a deal "at the table" was also turned down in a referendum. The conflict continued until the union negotiators accepted (an improved) deal without asking the members. According to social democratic trade union historians Torvald Karlbom and Ragnar Casparsson, as well as SAF's magazine *Industria*, the referenda provides evidence for the decisive influence of the communists, organized around SKP's paper *Folkets Dagblad Politiken* which contained daily propaganda against the settlements. It is notable that the union members voted "no" despite the fact that the editor of LO's magazine *Fackföreningsrörelsen*, Sigfrid Hansson, made the issue of authorization into a vote of censure.⁶²

According to Tom Olsson, the communists "acted as leaders" in 1928 but "were of only marginal importance" in the 1932 paper pulp conflict.⁶³ He backs the statement with an empirical study on the participation in May Day

after 1927, partly because these smaller conflicts have attracted fewer researchers.

⁶⁰ For a longer elaboration, see Hamark. *Ports, Dock Workers and Labour Market Conflicts*. Op. Cit., pp. 36-39.

⁶¹ GÄRDVALL, Lennart. "Facklig opposition: Om arbetarrörelsens fackliga och politiska splittring 1917-29". In ERIKSSON, Maj-Lis, ed. *Med eller mot strömmen?: En antologi om svenska folkrörelser*. Stockholm: Sober Förlags AB, 1980, p. 43.

⁶² CASPARSSON. *LO under fem årtionden, Andra delen: 1924-1948*. Op. Cit., pp. 95-102; KARLBOM, Torvald. *Pappersindustriarbetarnas fackliga organisationshistoria*. Stockholm: Tiden, 1945, pp. 239-47. On communist influence during the conflict, see also SWENSON Peter. A. *Capitalists Against Markets: The Making of Labor Markets and Welfare States in the United States and Sweden*. Oxford University Press, 2002, p. 96; SÖDERBERG, Tom. "Pappersmassseförbundets första halvsekel". In *Pappersmassseförbundet: 1907-1957*. Stockholm: PMF, 1957, pp. 83-86.

⁶³ OLSSON. *Pappersmasssestrejken 1932: En studie av facklig ledning och opposition*. Op. Cit., p. 442.

demonstrations by the union local branches: did the branches choose to join a communist demonstration or not, and did their choices change over the years?⁶⁴ Olsson works with a non-random sample of twenty-one branches, 1929-1936. Since we aim to reveal a shift between the two conflicts, it is more reasonable to compare 1929 and 1932. Between these years, and among the seventeen branches Olsson actually reports, *one* of the branches saw definite diminishing communist influence, and in addition one or two (depending on one's judgment) branches experienced a slight decrease. It does not strike me as evidence for any serious communist weakening. Moreover, the comparison somewhat overestimates the decrease, since Olsson chooses to start in 1929 (rather than in 1928) when the communists' prestige had grown in the preceding conflict (as noted by Olsson himself).

Communism within paper pulp does not seem to have been in too a bad shape in 1932. Out of fifteen members in the union's General Council, four were communists and five of the union's largest local branches had boards with a communist majority.⁶⁵ Of course this says little about changes over the preceding years, but it does not align easily with the thought that the communists were "marginalized".

History repeated itself. As they had to do four years earlier, in 1932 the members had to consider two proposals by the Conciliation Commission and one on authorization for the union negotiators. Again all three were voted down.⁶⁶ A union ombudsman complained that "the conflict does not follow trade union but political lines", and another explained that the majority of the members listened to "the blandishments of the irresponsible" rather than to the board's advice.⁶⁷ The board blamed the results of the referenda on "the communists' furious agitation and considerable influence".⁶⁸ As in 1928, according to Karlbom and Casparsson, communism affected the outcome of the referenda.⁶⁹ Speaking at the time, the chairman of LO, Edvard Johansson, explained that the reports in *Folkets Dagblad Politiken* were the reason that the strike had been so drawn-out and difficult to solve, and Johansson's successor, August Lindberg, claimed in

⁶⁴ Ibid., pp. 115-31.

⁶⁵ KENNERSTRÖM. *Mellan två internationaler: Socialistiska Partiet 1929-37*. Op. Cit., p. 58.

⁶⁶ OLSSON. *Pappersmassestrejken 1932: En studie av facklig ledning och opposition*. Op. Cit., pp. 266, 316, 327.

⁶⁷ Ibid., p. 312; CASPARSSON. *LO under fem årtionden, Andra delen: 1924-1948*. Op. Cit., p. 240. My translations.

⁶⁸ CASPARSSON. *LO under fem årtionden, Andra delen: 1924-1948*. Op. Cit., p. 240. My translation. See also KARLBOM. *Pappersindustriarbetarnas fackliga organisationshistoria*. Op. Cit., pp. 278, 282.

⁶⁹ Ibid. The same judgment was made by an official inquiry, see SOU 1935: 8. Betänkande med förslag angående åtgärder mot statsfientlig verksamhet. Stockholm, 1935, p. 396.

retrospect that the communists played “a major role” in the 1932 strike.⁷⁰ The board of the Paper Industry Workers’ Union had not been too keen on striking “but”, Peter Swenson writes, “buckled under pressure from intense Communist agitation among the ranks of [the] members”.⁷¹

According to Eva Blomberg, the Miners’ Union gravitated towards communism in 1926/1927.⁷² At the 1927 congress, the communists won a couple of important votes and strengthened their position on the new board. Björn Horgby claims that the congress was a battle between social democrats and challengers from SKP, and that the communists seized power.⁷³ While not flawed, the claim needs qualification. The congress was warmly reviewed in *Folkets Dagblad Politiken*.⁷⁴ Yet, no communist victory was declared and the newspaper did not comment upon the constitution of the new board, and neither did the social democratic newspapers.⁷⁵ It is possible that the full consequences of the shifting gravity were not evident at the time. But social democrats and communists may also have had their reasons not to speak too frankly about the congress. Social democracy was generally not inclined to admit any influence of SKP. This is particularly apparent in the balancing act of *Fackföreningsrörelsen*: on the one hand it devoted considerable space to criticize communism; on the other, it declared communism to be of marginal importance. SKP, in turn, was engaged in the United Front policy decreed by Comintern, and in line with this policy, it was logical to downplay the role of the party.⁷⁶

The new board decided to enter into a “Treaty of Friendship and Cooperation” with the Soviet Miners’ Union—a decision met by a storm of protests in bourgeois and social democratic press—and it went for a “battle-against-capital-agenda”, based on the strike weapon.⁷⁷ Blomberg, who has studied the minutes, states that the board *wanted* a conflict, preferably in the

⁷⁰ KENNERSTRÖM. *Mellan två internationaler: Socialistiska Partiet 1929-37*. Op. Cit., p. 64; SVENSKA METALLINDUSTRIARBETAREFÖRBUNDETS STYRELSE. *Kommunisternas uppträdande och ansvar belyst med stöd av stenografiska protokoll och andra dokument*. Stockholm: Tiden. 1945, pp. 77-78.

⁷¹ SWENSON. *Capitalists Against Markets: The Making of Labor Markets and Welfare States in the United States and Sweden*. Op. Cit., p. 97.

⁷² BLOMBERG, Eva. *Män i mörker: Arbetsgivare, reformister och syndikalister: Politik och identitet i svensk gruvindustri 1910-1940*. Stockholm: Almqvist & Wiksell International, 1995, p. 157.

⁷³ HORGBY, Björn. *Kampen om facket: Den socialdemokratiska hegemonins förändringar*. Umeå: Boréa, 2012, pp. 48-49.

⁷⁴ FDP, 31 March 1927.

⁷⁵ FDP; *Ny Tid*; *Social-Demokraten*; all 30 March 1927.

⁷⁶ GÄRDVALL. “Facklig opposition: Om arbetarrörelsens fackliga och politiska splittring 1917-29”. Op. Cit., pp. 33ff.

⁷⁷ HORGBY. *Kampen om facket: Den socialdemokratiska hegemonins förändringar*. Op. Cit., p. 49.

form of a SAF lockout.⁷⁸ Such an offensive strategy required resources—which the Soviet counterpart had.

In 1927 the collective agreements within mining were terminated by workers and employers alike. Faced with irreconcilable demands, SAF locked out 4,000 workers, starting in early 1928. The union answered by declaring an industry-wide strike. It meant that an additional 8,000 workers⁷⁹ became involved in the conflict, which was not settled until late summer—basically on pre-existing terms. Financially, at least, the Treaty paid off: almost half of the vast strike pay came from the Soviet friend and co-op.⁸⁰

SAC's summary of the showdown in *Arbetaren* was perhaps not too far off the mark when it claimed that the “communist board” of the Miners' Union had “wanted to show the Western World that it was conceivable—with Russian support—to win labour market battles in Western Europe”.⁸¹ *Arbetaren* was also correct when it claimed that the Swedish employers were equally inclined to show that the workers could *not* win with Soviet help.

The influence of Marxism within the unions always provoked SAF. The employers were prepared to resort to long and costly battles rather than offering concessions to workers inspired by communism—a fact which helps to explain why some battles became so voluminous.⁸² As the leading industrialist Christian Storjohann declared at a SAF board meeting in 1928: the on-going paper pulp conflict was about “fighting the communists and the Soviet Union”.⁸³

Communism appears to have played a marginal role within the Textile Workers' Union.⁸⁴ On the other hand, when the union declared an industry-wide strike in early 1931, it had not been affiliated to LO for two decades. This might have given the union a higher degree of independence, and it seems plausible that it was less affected by social democratic ideology and strategy. Yet, the degree of independence should not be exaggerated.

⁷⁸ BLOMBERG. *Män i mörker: Arbetsgivare, reformister och syndikalister: Politik och identitet i svensk gruvindustri 1910-1940*. Op. Cit., p. 157.

⁷⁹ SAC organized 2,000 miners, they too followed the declaration.

⁸⁰ CASPARSSON, Ragnar. *Gruvfolk: Svenska gruvindustriarbetareförbundet under fyra årtionden: En kort historik utarbetad på förbundets uppdrag*. Stockholm: Tiden, 1935, pp. 214-15.

⁸¹ *Arbetaren*, 29 August 1928. My translation. See also CASPARSSON. *LO under fem årtionden, Andra delen: 1924-1948*. Op. Cit., p. 214.

⁸² Cf. ÅMARK, Klas. “T. Olsson: Pappersmassestrejken 1932” (review). *Arbetarhistoria*, 31-32, 1984, p. 115.

⁸³ SÖDERBERG. “Pappersmasseförbundets första halvsekel”. Op. Cit., p. 84.

⁸⁴ HORGBY. *Kampen om facket: Den socialdemokratiska hegemonins förändringar*. Op. Cit., pp. 134-35, 146, 207.

Fackföreningsrörelsen directed no criticism at the strike, which suggests that there was no serious split between LO and the Textile Workers' Union.⁸⁵

Three LO-affiliated unions were involved in the building strike that started in April 1933, sparked by employers' demands for wage reductions. The three union boards proposed partial strikes targeting only organized builders, whereas the communists called for an industry-wide strike.⁸⁶ The prolonged conflict (it did not end until February 1934 when a displeased LO⁸⁷ more or less forced the unions to quit striking—see *The end of lockouts* below) was extended beyond organized builders and in that respect the communist line was victorious.

In August, a first settlement was presented by the Conciliation Commission, but was duly rejected in subsequent referenda.⁸⁸ SAF perceived the communists (and the syndicalists) as “prime instigators of the building conflict, especially in agitating for building craftsmen to vote against mediated contract proposals”.⁸⁹ Another indicator of left-wing sway is that in Stockholm, where the communists had their stronghold among construction workers, union members voted “no” to a much larger degree than in the country as a whole.⁹⁰ Still, it is hard to find convincing evidence suggesting that the communists played a decisive role in the conflict. Most likely their influence made the conflict larger and somewhat more prolonged, but the bulk of work days would have been lost even without the “prime instigators”.

In absolute volume, the strike launched by the Metal Workers' Union in 1945 is the largest in Swedish history. The communists succeeded in getting a majority behind offensive wage demands at Metal's contract conference in 1944, despite resistance from the board representatives as well as the LO leadership. In a subsequent referendum, more than 70% of the workers voted to strike, and the board found it politically impossible not to call it. After five months the strike was brought to an end, but only after the board had overruled a referendum in which workers had decided to continue

⁸⁵ *Fackföreningsrörelsen* 1931: 91-92, 329-31.

⁸⁶ APITZSCH Hartmut. “Socialdemokrater och kommunister i byggbranschen”. *Arkiv för studier i arbetarrörelsens historia*, 2, 1972, pp. 61-62.

⁸⁷ With regards to the building strike, LO showed, “nothing but chilly indifference, if not outright hostility”. SWENSON. *Capitalists Against Markets: The Making of Labor Markets and Welfare States in the United States and Sweden*. Op. Cit., p. 100.

⁸⁸ KUPFERBERG, Feiwei. “Byggstrejken 1933-34”. *Arkiv för studier i arbetarrörelsens historia*. n.2, 1972, p. 49.

⁸⁹ SWENSON. *Capitalists Against Markets: The Making of Labor Markets and Welfare States in the United States and Sweden*. Op. Cit., p. 108.

⁹⁰ APITZSCH. “Socialdemokrater och kommunister i byggbranschen”. Op. Cit., p. 62.

striking.⁹¹ Pär-Erik Back, who has written a comprehensive account of the conflict, notes that the metal workers had experienced a dismal growth in real wages during the war and that they faced an employers' association endowed with "a minimum of psychological touch and a maximum of pertinacity". But the transformation of discontent into overt conflict became 'virtually inevitable', Back claims, only when the political machinery of the communist party was directed at engineering, by the end of the war.⁹² Organized, disciplined—but also well represented amongst the rank-and-file—the communists acted as a catalyst.

In summary: all the conflicts in Table 4 were in different ways played out by the side of, or in opposition to, the reformist trade union movement. Communists played an important role in four out of the six largest conflicts after 1925 (and a minor role in the building strike). The four conflicts amount to 48% of total volume in 1926 to 1950. If we confine ourselves to the period 1926 to 1935, the corresponding figure is 29%.

As a yardstick of communist influence, the figures are biased. *Downwards* because (1) the top conflicts are compared to total conflicts, whereas the appropriate comparison would have been to look at *all* conflicts with communist influence in relation to total conflicts; because (2) communists should probably be partly credited for the voluminous building strike. *Upwards* because work-days to some extent would have been lost even without successful left-wing propaganda (at least in the paper pulp conflicts). While the exact level could be debated, there seems indeed to have been a strong influence of communism on conflict activity.

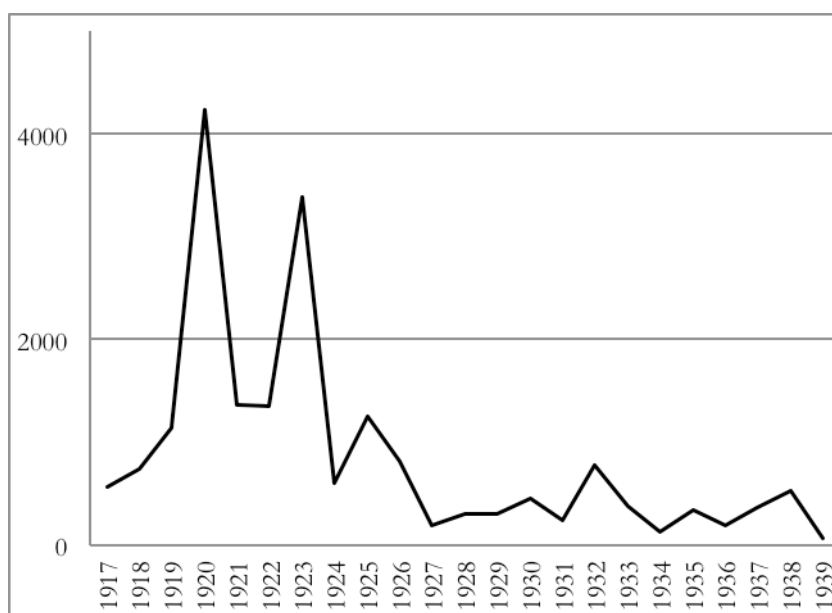
Strikes and intra-labour movement ideologies: Social Democracy

In contrast to Korpi and Shalev, I believe that "labour", i.e. the social democratic branch of labour, became interested in labour market peace long before conditions prevailed for political exchange. Social democrats had taken on a more positive view of tranquillity long before that.

⁹¹ KJELLBERG. "Storkonflikten 1980 och andra stora arbetskonflikter i Sverige". Op. Cit., p. 34-35; KORPI. *The Working Class in Welfare Capitalism: Work, Unions and Politics in Sweden*. Op. Cit., pp. 246-51.

⁹² BACK, Pär-Erik. *Svenska Metallindustriarbetareförbundets historia 1940-1956: Band IV*. Quotations on p. 327. My translation. This work is one of only two major studies of the conflict. The deep communist influence is stressed also in the other study, see TRESLOW, Kjell. *Verkstadsstrejken 1945: En studie av arbetsmarknadens förhandlingssystem vid konflikt*. Stockholm: Stockholms universitet, 1972, pp. 113-21.

FIGURE 6 Relative volume: days lost in stoppages of work per thousand employees. Sweden, 1917-1939. Excluding larger, non-LO-approved conflicts.⁹³



Sources: see Figure 1 and Table 4.

Figure 6 is identical to Figure 3 with the difference that a shorter period is shown and that the conflicts listed in Table 4 have been subtracted. Thus Figure 6 gives a crude illustration of “LO-approved days lost”. Notable is the downward shift after 1923 or, at the very latest, after 1925—a full decade before Korpi and Shalev’s political exchange.

In 1928, the Labour Peace Conference was held. The right-wing government hosted the event, inviting representatives from both labour and capital. Two questions were at the centre of attention: the end of conflicts and rationalization within industry. SAF’s summary of the conference was generally positive, since most of the speakers from the labour side “fearlessly declared their consensus line”.⁹⁴ But the consensus line of LO was not a sudden whim. LO had, according to Anders L. Johansson, “already from the early 1920s touched on the idea that government, employers and trade union movement would take some form of shared

⁹³ The excluded conflicts are the ones listed in Table 4 (with the exception of the 1945 engineering strike, which falls outside the period shown here).

⁹⁴ JOHANSSON, Anders L. *Tillväxt och klass-samarbete: En studie av den svenska modellens uppkomst*. Stockholm: Tiden, 1989, p. 74. See also CASPARSSON. *LO under fem årtionden, Andra delen: 1924-1948*. Op. Cit., pp. 140-52.

responsibility for the rationalization process”.⁹⁵ In the 1910s, labour was generally hostile to Taylorism, but in the early 1920s this changed within the social democratic branch. For instance, in 1922, *Fackföreningsrörelsen* declared that Taylor himself was in fact in favour of workers, although Taylorism as actually implemented had had its flaws.⁹⁶

Another factor explaining the LO leadership’s increasingly reluctant attitude to strikes may be a revised version of the PRH. Between March 1920 and June 1926, Sweden had seven governments. Four of them were social democratic, possessing governance in 44 out of 75 months. Perhaps, to quote Korpi and Shalev’s assessment of the 1930s, “the feeling was growing [that] the Social Democrats had come to stay in a governing position”? If so, I endorse the logic that *reformist* union leaders thought about shifting battlefields from industry to politics. Of course these governments proved to be non-stable. But at that time, who could tell?

The end of lockouts. Managerial strategy and intra-labour movement ideologies

The union movement grew rapidly at the end of the nineteenth century and in 1898 several national unions founded LO. Triggered by labour unity, the employers also organized. Just a few years after its establishment in 1902, SAF became a highly centralized, attacking organization: every lockout initiative from the member companies was to be approved by the board of directors, and sympathy lockouts were used as offensive weapons in wage negotiations. But the effectiveness of secondary action rested on a critical precondition.⁹⁷ Without a centralized union movement, there would be no body to punish effectively in the case of subversive behaviour; no one whose strike fund SAF could threaten to empty. SAF needed a strong LO, yet not too strong.

Lockouts had occurred already in the last decades of the nineteenth century, but with the birth of employers’ associations they became much more forceful. The first major clash came in 1905 when a large strike by metal workers was answered with an even larger lockout. Even though the final

⁹⁵ JOHANSSON. *Tillväxt och klass-samarbete: En studie av den svenska modellens uppkomst*. Op. Cit., p. 54. My translation. See also OLSSON. *Pappersmassestrejken 1932: En studie av facklig ledning och opposition*. Op. Cit., pp. 43-44.

⁹⁶ JONSSON, Kjell. “Taylorismen och svensk arbetarrörelse 1913-1928”. *Arkiv för studier i arbetarrörelsens historia*. n.19-20, 1981, p. 14. See also JOHANSSON. *Tillväxt och klass-samarbete: En studie av den svenska modellens uppkomst*. Op. Cit., p. 47.

⁹⁷ DE GEER. *Arbetsgivarna: SAF i tio decennier*. Op. Cit., p. 89. See also SWENSON. *Capitalists Against Markets: The Making of Labor Markets and Welfare States in the United States and Sweden*. Op. Cit., pp. 78, 82.

agreement was a “resounding success for employers”,⁹⁸ the full potential of the lockout was only to be shown the following year. Eight firms were hit by strikes, to varying degrees defying managerial prerogatives, and in response SAF threatened to shut down just about half of Sweden’s manufacturing industry. It had immediate results: LO warded off the lockout by accepting the employers’ right to manage, formalized in the *December Compromise* of 1906.⁹⁹ From that time on, the union tactic of “whipsawing employers, picking them off one at a time”¹⁰⁰ became dangerous: almost any strike could be answered by a full-scale lockout. According to statutes, the unions were obliged to pay out support to all members locked out—and when a certain share of members in an affiliated union were locked out, LO had to pay. The employer strategy threatened to empty the strike funds.

After the 1909 General Strike, the employers could, according to the SAF chairman Hjalmar von Sydow, have used the opportunity to crush LO “without difficulty”.¹⁰¹ Yet they did not. The alternative to LO was syndicalist unions—much less sensitive to lockouts, since they neither had a centralized fund, nor distributed strike or lockout support.¹⁰² The effectiveness of the lockout saved LO.

Strike activity hit rock bottom in the first half of the 1910s and the employers made little use of the lockout: with workers already disciplined, there was no need. When strike activity began to climb, wartime pressure made it difficult for the employers to respond forcefully. The full-scale lockout returned after the war, with massive conflicts in 1920, 1923 and 1925. The last one was the largest since 1909, involving 100,000 workers. But despite the fact that business cycle conditions did not favour the workers, the conflict ended quickly and in a draw.¹⁰³ Something had changed.

In 1909, the employers’ associations were potentially able to lockout a number of workers corresponding to the total union membership. But the situation would gradually shift: the employers’ associations continued to mainly organize companies within private-owned manufacturing, whereas LO increasingly became the representative of the entire working class. In 1930, SAF could lockout a number of workers matching only half the total

⁹⁸ SWENSON. *Capitalists Against Markets: The Making of Labor Markets and Welfare States in the United States and Sweden*. Op. Cit., pp. 79-81.

⁹⁹ Ibid., pp. 80-81.

¹⁰⁰ Ibid., p. 74.

¹⁰¹ Ibid., p. 84.

¹⁰² PERSSON. *Syndikalismen i Sverige 1903-1922*. Op. Cit., p. 251.

¹⁰³ CASPARSSON. *LO under fem årtionden, Andra delen: 1924-1948*. Op. Cit., pp. 26-41.

union membership.¹⁰⁴ It meant that large groups of workers could contribute to the strike fund even if SAF blasted off the largest possible lockout. von Sydow appreciated the problem in 1928 when he declared that LO had the financial resources to withstand much longer lockouts than before.¹⁰⁵ Hansson made the same analysis in LO's magazine.¹⁰⁶ The lockout had become less effective, and with only a few exceptions the use of it ended.

True, SAF *threatened* to use the lockout even after 1928, most importantly during the 1933-34 building strike. For the newly elected social democrats the strike was particularly unfortunate since it threatened the government's programme for economic recovery. LO was as pleased with the strike as the government, but had too little authority to put an end to it. In the winter of 1933-34 SAF decided to threaten LO with the largest lockout ever, embracing 200,000 workers. SAF speculated that the government would respond to the escalation with compulsory arbitration but if not, LO would be stuck paying out money to locked out workers in a conflict it did not believe in. SAF further calculated that LO would try to avoid both scenarios. In February 1934, LO succeeded in persuading its affiliated unions to retreat and to accept employers' demands for wage reductions.¹⁰⁷ As argued by Swenson, SAF and LO had a common interest in curbing workers in the building trades: both organizations were displeased with the relatively high wage level and both wanted to knock out syndicalism and communism. The SAF leaders calculated correctly: the lockout did not materialize; the mere threat gave LO an excuse to intervene.

Swenson argues that the lockout was as strong as ever in the 1930s.¹⁰⁸ But there is a world of difference between lockouts targeting LO and (the threat of) "friendly"—Swenson's own label—lockouts hitting the common enemy of SAF and LO.

My interpretation is that the balance of power between SAF and LO had shifted in favour of LO in the late 1920s. Therefore lockouts targeting LO ceased. Yet SAF continued to make use of, or rather threatened to make use of, "LO-friendly" lockouts with the aims of pressing down wages in "sheltered" industries such as building, and smashing the left opposition within the labour movement. Feiwel Kupferberg has stressed the

¹⁰⁴ ÅMARK. *Facklig makt och fackligt medlemskap: De svenska fackförbundens medlemsutveckling 1890-1940*. Op. Cit., pp. 125-26.

¹⁰⁵ Ibid.

¹⁰⁶ *Fackföreningsrörelsen* 1928, vol. 1, p. 291.

¹⁰⁷ SWENSON. *Capitalists Against Markets: The Making of Labor Markets and Welfare States in the United States and Sweden*. Op. Cit., pp. 100, 107-9. See also KUPFERBERG. "Byggstrejken 1933-34". Op. Cit., p. 57.

¹⁰⁸ SWENSON. "Solidaritet mellan klasserna Storlockouten och Saltsjöbadsandan". Op. Cit., p. 43.

government's role in forcing peace upon the construction workers, and his conclusion is antithetical to the PRH: the lockout threat was successful *because* of the labour government, not despite of it.¹⁰⁹

Conclusion

The most prevalent narrative on the transformation of Sweden from a high-conflict country to one of quiescence is associated with the power resources hypothesis: the seizure of governmental power by social democracy in the 1930s gave the working class the opportunity to shift from costly strikes within the industrial sphere to less costly redistributive policies within the political sphere. But the timing of conflicts does not favour the hypothesis. Governmental stability is presumed necessary for the shift to occur, but when SAP won their second-in-a-row election in 1936 there is little decline left to explain—visibly illustrated by the fact that the number of workers involved in strikes and lockouts reached an all-time-low that year. Stable reformist possession of parliamentary power may well have contributed to *keep* conflicts low. But we have to look elsewhere to find out why they became low in the first place.

A full account of the decline in Swedish militancy requires in-depth studies of a range of topics: development of collective agreements, labour law and work processes; gender division of labour; tensions between export and home market industries; impact of strike-breaking on workers' moral; structural change in the Swedish economy, etc. I have settled for a less ambitious task: to investigate the impact of workers' ideology and of managerial strategy on conflicts.

The development of lockouts was affected by the balance of power between SAF and LO. Major sympathy lockouts ended after 1928, at a time when LO had the numerical strength and the financial resources to handle much longer conflicts than before. True, SAF continued to make use of the large-scale lockout as a *threat* in the 1930s, but by then LO was no longer the real target. Instead the target was high wages in "sheltered" industries and the left opposition within the labour movement.

By the end of the 1910s, strikes led by the syndicalist confederation, SAC, constituted a large proportion of total strikes, measured both as frequency

¹⁰⁹ KUPFERBERG. "Byggstrejken 1933-34". Op. Cit., p. 36. See also SWENSON. *Capitalists Against Markets: The Making of Labor Markets and Welfare States in the United States and Sweden*. Op. Cit., p. 100. Cf. KORPI and SHALEV. "Strikes, Power, and Politics in the Western Nations, 1900-1976". Op. Cit., p. 321.

and involvement. In the 1920s, SAC strikes fell sharply in absolute as well as in relative terms. The fall can be attributed to a twin change in ideology and strategy. In just a few years leading Swedish syndicalists went from advocating strikes to preferring gradual expropriation of the companies, a method of struggle that corresponded to the view that socialism could only be achieved by an evolutionary path.

In contrast to the syndicalists, the communists worked inside the reformist-dominated unions. After 1925, communist influence on conflict volume was huge: several times the communists succeeded in getting a majority in favour of striking or for continuing striking, in direct confrontation with the social democratic union leadership.¹¹⁰ Without communism, Sweden would have a lesser reputation as a country of industrial militancy. A couple of years into the 1930s, the communists lost ground and major conflicts became less frequent. By the end of WWII, the communists gained a very temporary initiative within the union movement, an initiative which nonetheless resulted in the largest Swedish strike ever, measured by absolute volume. In addition, the duration of communist-influenced conflicts was partly a function of the employers', and foremost SAF's, reactions. For pedagogical reasons, workers must never be allowed to win such conflicts.

Most of the time, striking is a costly last resort to achieve a more decent life here and now. Why, then, should we expect revolutionaries to affect strike rates? Because, to the communists—and to the syndicalists until the early 1920s—battles *within* the system provided opportunities to mobilize and to politicize, with the objective to transform them into battles *against* the system. But the root causes of the conflicts are not to be found in the communists and their machinations, even though this is a pretty standard interpretation.¹¹¹ Agitators, communist or not, play their part, but as Knowles once remarked: “one cannot agitate successfully without widespread grievances”.¹¹²

One of the causes of the communist twilight in 1930s was a general trend towards centralization within the LO-affiliated unions. Such centralization is sometimes described as part of an institutional solution to the strike “problem”.¹¹³ True, moving influence from the rank-and-file to the union

¹¹⁰ A finding consistent with GÄRDVALL. “Facklig opposition: Om arbetarrörelsens fackliga och politiska splittring 1917-29”. Op. Cit.

¹¹¹ As in the case of the 1945 Metal strike, see KORPI. *The Working Class in Welfare Capitalism: Work, Unions and Politics in Sweden*. Op. Cit., p. 246.

¹¹² KNOWLES. *Strikes: A Study in Industrial Conflict with Special Reference to British Experience between 1911 and 1947*. Op. Cit., p. xii.

¹¹³ See e.g. ROSS and HARTMAN. *Changing Patterns of Industrial Conflict*. Op. Cit., pp. 67-68.

leadership reduces strike frequency—given that the leadership has enough moral authority. But there is no inherent logic that centralization also reduces involvement or volume. In the Swedish case, where decision-making was relocated from *communist*-dominated local branches and union referenda (in which the communists won majority in several critical cases) to national boards dominated by *social democrats*, it meant less strike activity. The point is that the “institutional fix” cannot be isolated from the ideological balance.

Not only did syndicalism change its attitude towards conflicts, so did social democracy. If we subtract non-LO-approved conflicts, there is a manifest fall in the level of conflict even after 1923, measured by volume. In 1928 the Labour Peace Conference was held, at which representatives for SAF, LO and the government discussed how to end conflicts and how to rationalize industry. But even in the early 1920s, LO had had the idea that the three parties should take shared responsibility for the rationalization process. Taylorism was reassessed and step by step the leaders of the union confederation came to see productivity improvements rather than industrial militancy as the way to increase workers’ living standards. Another factor explaining the trade union leadership’s increasingly reluctant attitude towards strikes might be a revised version of Korpi and Shalev. From 1920 to 1926, Sweden had several short-lived governments; for most of the period these were social democratic. Perhaps even then the feeling was growing that the parliamentary future belonged to social democrats. If so, there is a definite logic that *reformist* union leaders thought about changing the locus of class conflict: from costly strikes within the industrial sphere to less costly redistributive policies within the political sphere.

Abstracts

Dossier: Trade unions in the era of globalisation. Coordinated by José Babiano and Javier Tébar

Ubaldo Martinez Veiga

Informal economy, labour and trade union experiences in India and Nigeria

This article is an attempt to update some notions on the meaning of informal work. From 1973 to the mid-eighties, studies on work and the informal economy were at boiling point. Subsequently there were many empirical studies carried out which were often repeated with little creativity. When some cases presented novel aspects, they were studied in more detail. First, it was observed that many informal workers are unionized, occasionally more often than formal workers. Moreover, informal activity often maintains its autonomy. Workers resist being absorbed into formal employment systems. This inclusion regularly brings them many disadvantages. Another important element appearing in informal work is its active and creative nature. This context gives rise to a social class that confronts the State demanding human rights, which being general rights, are of great importance. Informal work is a system that allows subsistence and resistance to homogenization, which neoliberalism covertly represents in a way that its instrument of penetration into society is called globalisation.

Keywords: Informal work, Poverty, Economic development, new systems of protest, Subsistence techniques, Human rights, Worker rights.

Isidor Boix and Fernando Rocha

China and Vietnam: the transition from “official” to “real” unionism

The Chinese and Vietnamese trade unions are facing a transition phase within a context of implementation of the market economy in both countries and its integration into the global world economy. Processes of industrial action are already taken place, exceeding the “official” political and union structures, with a great uncertainty about their future developments and outcomes. This article addresses a critical view of this phenomenon, based on the experience of union cooperation between European unions and the unions of both countries and on the findings from specific research developed in Vietnam.

Keywords: China, Vietnam, transition, official unionism, free unionism

Patrícia Vieira Trópia and Davisson C. Cangussu de Souza

Brazilian trade unionism faces neoliberal capitalism – alliances and disputes between CUT and Força Sindical, 1990-2015

This article brings up the *Força Sindical* – FS (Trade Union Force) and the *Central Única dos Trabalhadores* – CUT (Unified Workers’ Centre) guidelines and actions during neoliberal governments in Brazil from 1990 up to 2015. Its main purpose is to discuss the disputes and alliances between the two mentioned national trade union centres as well as the programmatic changes, including in its basis, considerably motivated not only by the positions taken in face of the neoliberal policies, but also for the kind of relation established with the government in the presented period of time. In order to carry out our analysis, we went through a review about Brazil’s trade unionism studies and checked up congress resolutions of both national trade union centres.

Keywords: Trade unionism in Brazil; Neoliberalism; Lula’s and Cardoso’s governments; CUT and Força Sindical

Rodrigo Araya Gómez

The trajectory of the Chilean labour movement during the governments of the Concertación. Framework agreement on strike subcontractors of CODELCO, 1990-2010

The article analyses the trajectory of the Chilean labour movement during the new democratic period, specifically the action of the United Workers Central (CUT). We argue that the unions faced a complex scenario because of the characteristics of the transitional democratic process, marked by the dictatorial heritage with a structural position of weakness as an effect of the neoliberal model. In response, CUT went from a position of cooperation with a democratic confrontation because of dissatisfaction with the results of incomplete democracy governments, becoming a reference opposition to neoliberalism.

Keywords: Unionism, transition, labour reform, neoliberalism

José-Angel Calderón

What is the nature of the crisis in French unionism? A reading from the perspective of models of production

The gradual change in the model of production since the 1970s produced a heterogenization and polarization of workers’ terms of employment—between, on the one hand, a segment of workers with stable employment, legal protection and good representation by the unions and on the other hand an increasingly populous segment of peripheral workers who were cut off collective bargaining and whose terms of employment were “negotiated”

individually when they were hired. By this analysis, it is not so much the institutionalization of French unionism that lies behind its crisis as the de-institutionalization of the wage relationship, one of the conditions of which seems to be the weakening of the union itself. The unions find themselves in a situation where they alone are opposing an increased riskiness in labour relations that, while distancing them from the peripheral segments of the workforce, is locking them into defensive positions.

Keywords: Unionism; France; institutionalization; industrial relations.

Miguel Martínez Lucio

Trade union renewal and responses to neoliberalism and the politics of austerity in the United Kingdom: the curious incubation of the political in labour relations

One of the problems we have when discussing trade unions today, the role of collective action and the academically fashionable question of renewal or revitalisation is that we discuss it in terms of trade unions themselves and in isolation. However, trade unions exist within context and those contexts are political, social and economic, and historical. The remaking of trade unions in the UK has been in the main a solitary project which has had goods intentions and been viewed by many observers as being highly innovative; but these are first steps which require resources, coordination, conviction and politics let alone state support. Yet trade unions and many networks of trade unionists have in some sense incubated and guarded the map of social and emancipatory possibilities in terms of the political and the social in curious if unsupported ways. They have stepped into a reframing of the left even if the outcomes remain very uncertain.

Keywords: unionism; neoliberalism; United Kingdom; globalisation; political innovation.

Pere J. Beneyto

Impact of the crisis on associative resources of trade unionism. The Spanish case study

There is great consensus in specialized research regarding the interaction of different power resources of the trade unions within the framework of labour relations, distinguishing between those of a *structural* (position in the labour market), *associative* (membership and representation) and *institutional* (participation in collective bargaining and social dialogue) nature. This article reviews the most relevant theoretical approaches and empirical evidence regarding these relations, making special reference to the impact of the crisis on the associative resources (structure and evolution of direct membership and the electoral audience) of Spanish trade unionism.

Keywords: crisis, labour market, trade unions, membership, representation

Miscelanea

Jesper Hamark

From peak to trough: Swedish strikes and lockouts in the first half of the twentieth century

Sweden is renowned for its peaceful industrial relations during the post-WWII years. But in the first three decades of the twentieth century Sweden was struck by extensive labour and employer militancy. The internationally established explanation for this transformation from peak to trough is the seizing of governmental power by the social democrats in the 1930s. Instead I claim that the development of, and the shifting balance of power between, the major working class ideologies—communism, syndicalism and social democracy—was an important factor in the decline of industrial strife.

Keywords: strikes, lockouts, labour ideology, power resources hypothesis, left opposition within the labour movement