

Mexico's National Council of Metalworkers (*Consejo Nacional de Trabajadores Metalúrgicos*): from disjointed efforts to unified action?

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I. Introduction

On this occasion we will be presenting an innovative experience in the case of Mexico, where the organization of metalworkers is coordinated through the National Council of Metalworkers (*Consejo Nacional de Trabajadores Metalúrgicos*), as part of the International Metalworkers' Federation (IMF). The latter brings together labor unions from diverse branches of industry, particularly from the auto parts (AP) and vehicle assembly (VA) industries—which will be the focus of our discussion here.

1. Our presentation will be divided into three parts. The first is a brief introduction focused on describing the historic context of the complex relationship between the State and labor unions in the framework of the corporate domination characterizing political life in Mexico starting in the early 1930s, with its gradual dismantling beginning in the 1980s. In the second part we will address the background of organization efforts in the automotive sector in the framework of the Mexican corporate State. In the third part, we will review the initiative to organize the AP and VA sectors based on the influence of an international organization—as a way of breaking the pattern of disintegration that had historically existed in this manufacturing

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branch. We will also address some of the internal and external challenges labor unions must face on the path to establishing themselves as key participants in dialogue, not only in relation to their members, and the companies where they represent workers, but also in relation to society in general. The challenge is to create a type of labor unionism that corresponds to active citizenship working towards the construction of an alternative model for the nation and the country.

2. The four tensions in corporate unionism, in the context of neoliberalism and the *modernization* of labor relations

While the crisis and redefinition of labor unionism has been a constant in the Latin American region since the 1980s (Campero and Cuevas 1991, Calero 1988), the experience in Mexico has perhaps been the most intense, to the extent it was deeply-rooted in the functioning of a State that emerged from a social revolution and to which labor unions were incorporated as one of its greatest allies. The crisis in the relationship between labor unions and the State has been manifested, among other ways, in the dismantling of the social pact that marked economic and social evolution in Mexico, within the framework of a so-called *stabilizing development* that spawned over several decades during the past century. One of the most significant features of this crisis has been the decline in the standard of living for the wage-earning population.³ At the same time, the official labor union

³ One highly impacting indicator of this deterioration is expressed in the fact that during the period from December 1980 to July 2004, "...an inflation rate of 88750% was accumulated [while] the nominal minimum wage increased by 3900%." *La Jornada en la Economía*, September 13, 2004, p. 2. <http://www.jornada.unam.mx>

organizations⁴ linked to the party in power (the Institutional Revolutionary Party—PRI) and that had benefited from that pact, have gradually lost their position as the dominant bloc, with diminished presence in both the legislative branch (in terms of representatives from the industrial workers' sector winning Congressional seats) as well as in the spheres of the executive and state and municipal governments (Arteaga García and Méndez 1989). At the same time, their capacity to exert influence in favor of improving income received by labor union members was also reduced.

To a significant extent, the symbiotic relationship maintained since the 1940s by labor union organizations belonging to the governing party (Córdoba 1974, Bensusan 2000) is framed within the corporatism upon which the Party of the Mexican Revolution (PRM) and later the Institutional Revolutionary Party (PRI) based their political domination for more than 70 years.

To understand some of the aspects at stake in the process of renovation of labor unions in Mexico, we will refer to some of the elements highlighted by Bensusan and García (1989, p. 8) regarding corporate domination: "1) the existence of a State party that incorporates the dominated classes on a sector-by-sector basis." Here, we would also add the sectors of the dominant bloc making up the elite of organizations representing "dominated classes." In the case of Mexico, there are three pillars that maintain this domination. The first has been the workers' movement through the Labor Congress (*Congreso del Trabajo*—CT) and the various labor union organizations linked to the State party up until 2000 —the year in which the PRI lost presidential elections for the first time— as well as the Confederation of

⁴ The connotation of "official" refers to its organic relationship with the political party in power in Mexico until year 2000. Although this descriptor continues to be used, it now refers to its relationship with the PRI.

Mexican Workers (*Confederación de Trabajadores de México—CTM*), which has historically been the largest and most important confederation since the 1950s. The second has been the *campesino* (peasant) movement through the National Confederation of *Campesino Organizations* (*Confederación Nacional de Organizaciones Campesinas—CNC*). And the third has been the National Confederation of Popular Organizations (*Confederación Nacional de Organizaciones Populares—CNOP*), which brings together all the sectors not included in the above-mentioned organizations, including professionals, members of the army, street vendors, taxi drivers, etc." 2) Presidentialism and the concentration of power in the Federal Executive Branch," which in practice resulted into an overpowering of the legislative and judicial branches. "3) Legislation —particularly in the areas of labor⁵ and agriculture— which gives legal expression to mechanisms of social and political control over subordinated classes." And thus, even though the social nature of the State had been acknowledged, it was, in reality, based on control and domination which was, in turn, based on the apparent representation of society as a whole. The crisis of this relationship has been widely documented and discussed (Bensusan and García, Anguiano, Garavito, Meyer, De la Garza 1989, 1993, Woldenberg and García 1990, Bizberg 1990), beginning with what were the first symptoms in the early 1980s.

It is also true that, despite the weakening effect starting two decades ago behind the relationships that were the basis for the

⁵ It is not merely a coincidence that since the end of the 1980s, a delayed aspect of the labor agenda is reforming the Federal Labor Law, due to the *catastrophic equilibrium* maintained among the diverse forces and positions with regard to what new legislation should look like. See Bouzas Ortiz A. (coord.), De Buen Lozano, Alcalde Justiniani, and others (2004).

functioning of corporativism, and despite the fact that the PRI was replaced as the governing party —by the right-wing National Action Party (PAN), and not until the year 2000— the old bureaucratic labor union apparatus has been “refunctionalized,” with a close relationship maintained with the current governing party.

Therefore, despite the change of governing party, we continue to find four primary tensions confronting corporate labor unionism since the early 1980s: 1) its loss of position as the dominant bloc, 2) pressure from company management to convert labor unions into a decisive factor in increasing productivity and competitiveness, 3) the relative pressure from its historic rank and file in relation to the new contents of work, but mainly in relation to the income received by the working class, and 4) the recurring pressure around the need to reform the Federal Labor Law.

Most of the labor union leaderships in many sectors have followed the same pattern: reacting instead of acting, with an especially defensive attitude. Thus, a significant portion of their strategies has been focused on attempting to maintain the conditions emerging from a different reality intact and, at the same time, playing the role of a functional partner in the *flexibilization* projects initiated by companies —although in a state of permanent tension in an attempt to maintain bilaterality as a criteria for their implementation. On the part of the State as well as companies — both national and transnational— they have made use of the prerogative that gives them the capacity to modify, in practice, labor conditions established in collective bargaining agreements and the way the labor force is used in production centers.

Added to this is the fact that although the major labor union confederations⁶ have been organically linked to what was the official party for more than seven decades, they have rarely taken joint actions aimed at carrying out a common strategy for confronting the new conditions of globalization and increased competitiveness in both national and international markets.

In addition, even though there were dissident movements within official labor unionism since the 1950s, the force acquired by this tendency beginning in the 1970s when the recurrent crises in the Mexican economy began, marked a more intense level of belligerence between the two tendencies, leading to more serious fragmentation and lack of coordination in labor union organizations, with the consequent negative results for their members.

3. From the proliferation of companies to the proliferation of labor unions: organizational disintegration and dispersion. Two attempts to reverse this tendency

It is not the objective of this presentation to review the history of labor unionism in Mexico's automobile industry. However, we will use the trajectory it has followed as a reference for illustrating a particular tendency that has been present since the time when the organization of workers in the sector began.

Given the importance of the automotive and auto parts industries in the development model based on industrialization via import substitution, its significance in promoting *backward chaining* as a mechanism for giving momentum to the entire economy was of a strategic nature (Arteaga García 2003, Bennet and Sharp 1979,

⁶ An excellent radiography of the prevailing labor union structure up until the early 1980s, reflecting the level of dispersion and the level of State control over labor organizations can be found in Freyre Rubio, Javier (1983).

and Lifschitz 1985). This was especially true beginning in the mid-1960s, with the implementation of the Decree for the Integration of the Automotive Industry, issued in 1962 and applied beginning with the 1964 year-model.

In practice the decree served as a trigger for the centralization of capital in this sector in Mexico,⁷ since US transnational companies were the ones that initially monopolized the national market. Simultaneously, however, and due to stipulations in the Decree, it also led to the strengthening of the auto parts sector, alongside a process of expanding industrial activities in the states in the central part of the country.⁸

Parallel to the development of the automotive industry and the dynamics of economic growth, linked to an increase in real wages and in levels of well-being for the country's working class,⁹ the period covering 1965 to 1979¹⁰—corresponding to the second productive nucleus, and which led to the first phase of the geographic de-concentration of the industry at the national level (Arteaga García 2003, Table 3, pp. 53-54)—there was intense labor union activity, for a sector of workers recently incorporated into both industrial work and labor union organizations. Toward the end of that same period, during the stage prior to the beginning of the restructuring of Mexico's automotive industry, the labor union structure presented the

⁷ "Of 18 companies that presented...programs mentioned in the decree, only ten obtained official authorization; two of those later withdrew, and another one made it in at the last moment," Aguilar García, Javier (1982, p. 23).

⁸ "The great majority of auxiliary companies established themselves during this period. By 1970, there were 480, and in 1975 the total reached 560, of which 280 produce (exclusively) for the automotive industry," *ibidem*, p. 25.

⁹ For an analysis of the evolution of wages in Mexico during the period from 1970 to 1985, see Bortz, Jeff, (1986, Table No. 10, p. 91).

¹⁰ A detailed account of labor union activity during this period can be found in Francisco Javier Aguilar, (1980, pp. 11-50).

following composition, with the notable presence of the Independent Industrial Worker Unity (*Unidad Obrero Independiente—UOI*).

Table 1
Labor union structure, by organization, company and percentage of participation

Company	No. affiliates in 1979	Labor union organization	Subtotal by organization		(%)
Diesel Nacional (DINA)	4,200	UOI			
Renault de México	2,000	UOI			
Mexicana de Autobuses	1,000	UOI			
Volkswagen	8,500	UOI			
Nissan (Cuernavaca)	2,505	UOI			
			18,205		42.7
Trailers del Norte	1,000	FSINL	<u>1,000</u>		<u>2.3</u>
Unofficial Subtotals				19,205	45
Nissan (Lerma)	400	CTM			
Ford	5,400	CTM			
Chrysler	5,000	CTM			
GM (Toluca)	2,000	CTM			
			12,800		
GM (Mexico City)	3,100	CROC			
Trailers de Monterrey	1,500	CROC			
			4,600		
Vehículos Automotores de México	1,800	COM	1,800		
International Harvester	1,200	CT*			
Kenworth Mexicana	1,000	CT			
Fábricas Autocar	1,000	CT			
Víctor Patrón	1,000	CT			
			<u>4,200</u>		
				<u>22,400</u>	<u>55</u>
TOTAL				42,605	100

Source: Developed by authors, based on Aguilar García (1982) op. cit, Table XXXV, p. 153. (*) signifies Official Control, although the author does not specify to which organization they belonged.

The above table clearly reflects the policies of major labor union organizations. The Independent Industrial Worker Unity (UOI) very quickly achieved a strong presence within the sector; however the most notable aspect is that the major labor unions that joined the UOI did so after a rupture with the CTM, and particularly as a response to the authoritarianism and lack of democracy characterizing that organization, which was linked to the official party. The UOI's dynamism can be explained by the innovative nature of its labor practices (Aguilar García 1982, p. 72, Basurto 1983, p. 236 and the following pages), including the following aspects: a) a more direct relationship with their representatives through departmental and general assemblies; b) a more direct relationship between labor unions and companies, as well as more frequent requests for assistance from the Board of Conciliation and Arbitration and the Ministry of Labor, as the entities responsible for mediating conflicts; c) a more direct style in the formulation of demands, in terms of working conditions and the sale of the labor force; d) the direct manner of proposing productivity, in exchange for compensation for workers; e) the development of new forms of organization closer to the workplace, such as by designating departmental delegates and councils and commissions.

As a result of the UOI's growth in 1975, it promoted the constitution of the National Independent Labor Union of Workers in Production, Manufacturing and Metal Assemblies (*Sindicato Nacional Independiente de Obreros de la Producción, Transformación y Ensamblajes Metálicos*), with the inclusion of workers in the automotive and auto parts industries (Aguilar G. 1980, p. 31). Despite these novel features in practices and forms of labor union organization, and the fact that it was strongly linked to the project of then-Mexican president Luis Echeverría Álvarez, its radical discourse did not affect Echeverría,

and even more importantly was the inaction it provoked, despite its discourse and the innovation of its labor practices. A significant aspect of this rapid deterioration is that after two decades, two of the most important labor unions (VW and DINA) broke off from this confederation, and in general its presence diminished notably, during a period marked by a profound transformation in the industry in particular, as well as in the country's overall economy.

In terms of official labor organizations, as can be seen in the previous table, even when they managed to concentrate 55% of the total unionized workers, organizational fragmentation continued. This position can undoubtedly be explained by the way in which the labor union apparatus was constructed, achieving a high level of cohesion on the basis of dividing up political power and control at the state, regional and local levels. This made it possible for these labor unions to become very solid powers at the local level, while subordinated at the national level to directives from the national leadership, with the latter, in turn, subordinated to the State party, or the PRI. This cohesion was also possible because of the capacity on the part of the official party (PRI) to promote labor union representatives within the government apparatus, who came to form part of the executive branches at the municipal and state levels, and part of the legislative branches at the state and national levels. Without a doubt, this type of labor union leadership also served companies well, since they had to negotiate with the labor union representation in each plant, and even with the "national" labor unions, since these unions have bargaining agreements for each of the facilities of the companies where they represent workers, and therefore, each union leadership at the plant level or the local federation level can establish the conditions for negotiating with each of the plant managements for each company.

4. The Autonomous Coalition of Labor Unions in the Automotive Industry (*Coalición Autónoma de Sindicatos de la Industria Automotriz—CASIA*): an attempt to reverse restructuring

In a more recent experience from the end of the 1980s, a key role was played by several labor unions from plants from the first and second productive nucleuses (Arteaga García 1988 and 2003). To a significant degree, what took place was an expression of the resistance to the restructuring that had been initiated by transnational automobile companies in Mexico, in response to the need to meet production requirements from their headquarter offices (GM, Ford and Chrysler) in the United States and to the repositioning of European companies in the US market.

After two conflicts derived from the initiative of the Ford and VW companies to make collective bargaining agreements more flexible (Arteaga García 1988, p. 8), a group of labor unions from different organizational traditions, from official labor confederations and from organizations outside the corporative union apparatus promoted the constitution of the Autonomous Coalition of Labor Unions from the Automotive Industry (*Coalición Autónoma de Sindicatos de la Industria Automotriz—CASIA*). In effect, this unprecedented experience within this sector in Mexico initially brought together the Ford National Labor Union (*Sindicato Nacional de Ford*) (CTM, official), including the Cuautitlán, Chihuahua and Hermosillo plants (Arteaga García 1991); and the labor unions at VW (independent) in the city of Puebla (Bensusán and García 1993); Nissan, at the Cuernavaca plant (UOI) (Rodríguez Lagunes, 1993); GM, at the Mexico City plant (CROC, official) (Sánchez Guzman); and DINA (independent) located in Ciudad Sahún (Herrera 1993).

It is important to remember that the labor unions at the state-owned company (DINA) and at the country's oldest plant (GM) had

limited conditions for remaining in operation. In the case of the first, the group that took control after it was privatized lacked a vision of the restructuring that was underway. Also in question were their capacities for survival, given the introduction of technological changes and changes in the organization of work (DINA, GM, VW, Ford Cuautitlán). And, having the best collective bargaining agreements in the sector at the national level (Ford Cuautitlán, GM and VW) represented a bad precedent in the eyes of top company management, in terms of having a demonstration effect on labor unions in other companies.

We can add to these characteristics the control Fidel Velásquez (FV), the old CTM leader, exerted over the Ford labor union, which belonged to that labor confederation. The day the unity pact was signed, FV spoke directly with the Secretary General of the labor union at that time, giving him instructions to not sign any document that might imply "disloyalty" or a link to "independent" organizations that did not belong to the CTM.

Despite this initial setback, CASIA not only formalized its existence with the signing of the Unity Pact, but in practice, it carried out a set of actions also unprecedented in the sphere of labor union life in this sector. Among the most significant actions taken, we can mention the creation of resistance funds for supporting labor unions in conflict with their companies, participation in marches and protests in support of its peers, as well as the assistance given by solidarity committees to the assemblies of other organizations.

Nonetheless, as we mentioned earlier, CASIA was an initiative that emerged to defend the labor conquests of the past, but incapable of confronting the new challenges facing labor unions and the country in general, in the context of Mexico's increasing economic

integration to the United States, which was about to lead to the signing of the North American Free Trade Agreement (NAFTA).

Restructuring undertaken by companies would, in the end, define the destiny for both CASIA, and the plants and the workers at those plants. The DINA company was privatized (1988), and then suffered an extended period of agony that culminated in 2002. A long, violent conflict would be experienced at the Ford Cuautitlán plant, linked to the massive firing of workers, the disappearance of their collective bargaining agreement, and a change in the local and national leadership (1990-1992). In the case of VW, a similar situation would take place: in an alleged inter-union conflict, the company would take the initiative to fire absolutely all personnel and re-hire under a modernized, flexible agreement. The GM plant was closed in 1995, and to date, a group of fired workers are struggling for the restitution of their rights to a settlement. And in all of these conflicts, CASIA no longer took action.

As a result of the lack of consistency in honoring the commitments assumed by labor unions and their leaders, and in part, due to the changes in leadership positions in some of those unions, the bonds between the unions quickly faded. Another factor was the magnitude of the transformations undertaken by companies, in the context of State policies aimed at transforming—at all costs—the country's economic model and the framework of labor relations.

5. The National Council of Metalworkers (*Consejo Nacional de Trabajadores Metalúrgicos*), a strategy for labor union reorganization in the context of integration and globalization

Without a doubt, the operational map and conditions of the country's automotive industry have been dramatically transformed by the signing of NAFTA, even though many of the tendencies in its recent

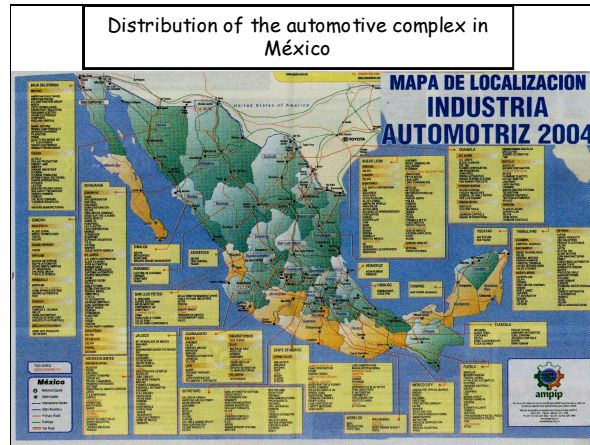
evolution in the context of globalization began to manifest themselves in the late 1970s. The framework of the trade agreement facilitated a process of increasing dynamism and profoundness for the industry.

The map of the automotive industry was extended practically to the country's entire territory (see Map 1). Although the early stages of the country's industrialization were located in certain industrialized urban centers, the development of competitive advantages led to its relocation to highly diverse points in many of the country's states. And in fact, as can be observed in the map that will be illustrated in a moment, of the country's 32 states, 21 of them have factories dedicated to activities of one or both of the auto parts (AP) and vehicle assembly (VA) industries. And at the same time auto part companies expanded and proliferated—some of them linked to the vehicle assembly industry, and there were other companies specifically from the latter industry—we also witnessed the multiplication of labor unions, many of them belonging to the CTM, but without any real organizational link, and instead associated with this confederation's regional and/or state structures. However, we would insist, there were no links with a sector-based structure.

We can affirm that even given the greater penetration of transnational companies in the sector, and consequently the growth of its influence in the processes of industrialization, of the formation of the labor market and of the spatial redistribution of land use at the national level, there is no greater presence on the part of labor union organizations—even with the growing number of these organizations—in terms of defining an even elementally coordinated strategy for proposing common positions in relation to company management or the State.

Map 1

Geographic distribution of the automotive industry in Mexico



Source: taken from Anselmo García, presentation entitled "Paros técnicos y calidad de vida de los trabajadores," Guanajuato, September 2004, IMF.

We can also affirm that the tendency present since the 1930s¹¹ —the decade in which the first labor unions were established in this sector in Mexico— has been one of dispersion and organizational fragmentation,¹² a phenomenon that has not only been maintained,

¹¹ In effect, the first labor union established was at Ford in 1932, followed by the labor union at GM in 1937, and the one at *Fábricas Automex* —a company that was initially established with national capital, however in the early 1970s, it was passed into the hands of Chrysler— formed in 1938. It is certainly interesting that the first workers' contingents linked to the manufacturing industry controlled by transnational companies were the ones to initiate labor union organizing at the national level, even though they originally belonged to different labor confederations, and were later incorporated into the CTM, although the lack of unity among them always prevailed. See Aguilar García (1982), pp. 44 and the following pages.

¹² A significant fact within this lack of coordination is that it was only in the mid-1990s (1996) at a meeting convoked by the CTM and the Friedrich Ebert Foundation in the city of Guanajuato, in the context of the country's most serious economic crisis in the second half of the last century, that for the first time in the sixty years since the first labor union in the sector was formed, the labor organizations from the major companies in the vehicle assembly sector and some from the auto parts sector belonging to the CTM finally met together. (Notes by AAG regarding the meeting held in the city of Guanajuato in 1996.)

but also intensified during the last two decades of the previous century and the early years of this century.

The NAFTA factor was key in the expansion of the VA and AP sectors, especially because through exports, the capital cycle in both sectors was determined primarily by the external demand. In some cases 100% of production was destined for exportation, and the average was as high as 70%. Because of this dynamic, the recurrent crises in the national economy did not significantly affect the operations of the automotive industry. A genuine crisis did take place, however, when the recessive domestic curve was synchronized with that in the United States, leading to a vertical drop in exports, and forcing most of the companies to reduce their production programs, affecting both their personnel and the demand from the auto parts sector. This tendency is the one that has prevailed during the last three years, and is the context in which the proposal has been made by the IMF to create the National Council of Metalworkers (CNTM).

Added to this tendency is the fact that with the creation of new manufacturing facilities (maquiladora plants and new factories in the automotive and auto parts sectors) —characterizing the process of Mexico's insertion into the US economy in response to the NAFTA strategy, through maquilas or high technology plants— we find that labor conditions have experienced a serious setback, as manifested in the growing flexibilization in the management of the labor force.

This has also favored an intensification in the disintegration of labor union organizations, since even though many of the existing precarious collective bargaining agreements have been signed with official labor union organizations, they operate in practice as “plant

unions," leading to serious dispersion and disparity in collective bargaining agreements, in terms of wages, benefits, labor conditions, bilaterality and review dates. The attached table clearly illustrates this situation. In the first column where we see the names of the companies and labor unions, we have 16 companies and 20 labor unions. In all, 31,665 industrial workers are represented in a highly varied mosaic of sizes and characteristics (see column 2 in Table). The largest labor union (VW) has 9,670 members, and the smallest has 250 workers (SKF). However, beyond this information, of the twenty labor unions included in the Table and of those we have identified, seven belong to the CTM, and two of them (Ford and DaimlerChrysler) are "national" in nature, however they have a total of six different agreements for the companies with which they have collective bargaining agreements (CBA) (1st column). In terms of review dates, the reviews take place on 18 different days throughout the year (column 3), but even assuming they would take place on the same day, the nature of negotiations at the plant level when there is no coordination reduces any possibility for maintaining a shared position in negotiations with companies.

In terms of wages, without considering economic and social benefits, we see that the companies in the vehicle assembly sector pay in average 2.4 times more (\$305.00) than those in the auto parts sector (\$127.00). It is worth noting, however, that in this last sector we have included a Ford plant (motors) and a GM plant (motors and transmissions), and their labor markets are very much above the average in the auto parts industry, and are guided, rather, by the first sector.

It is also important to consider the fact that according to the Federal Labor Law, every company has the obligation to conduct an annual review of wage increases, and every two years it must review

the collective bargaining agreement, which as can be observed in the 6th column, is another element of disintegration in negotiations with companies. Finally, in the 9th column, we can see the very fragile use of external power resources on the part of labor unions, for the purposes of making progress in negotiations with companies. This simple panorama constructed with information provided by the labor unions themselves reveals the elements that we have been sustaining are the major challenges currently facing labor unionism in the sector.

Nevertheless, as the result of a double process —on the one hand, the acknowledgement by union leaderships in plants and by the workers themselves of the need to make progress in achieving unity, and on the other hand, the gesture by an international entity such as the International Metalworkers' Federation (IMF) to promote united action based on respect for each of the labor union organizations, in terms of their styles, histories and individual or organizational affiliation to political parties— these efforts have crystallized into the creation of the National Council of Metalworkers (CNTM).

The CNTM was established in 2002 as part of the IMF initiative, promoted since the 1960s, for the constitution of World Councils for industrial sectors and some transnational companies, and National Councils in countries where there is more than one labor union affiliated with the IMF, as in the case of Mexico, in particular within the automotive industry.

As a result of this initiative, at the end of 2002, the labor unions invited to participate addressed the task of putting together the Plan for Labor Union Action and Collective Negotiation of the National Council of Metalworkers, 2003-2004.¹³

¹³ Plan for Labor Union Action and Collective Negotiation of the National Council of Metalworkers, 2003-2004. Mexico City, August 2003. From now on, referred to as the CNTM 2003-2004 Action Plan.

It is worth carefully reviewing some of the points considered in the document to be strategic focuses. We will only refer here to some of those defined as such by CNMT, to illustrate the vision proposed in its initial document.

- A. Solidarity
- B. Research, information, consultation, and training
- C. Labor union development
- D. Demanding respect for and promoting the rights of workers
- E. Negotiation of productivity
- F. Collective negotiation

A. Solidarity defined as: "...CNTM's primary strategic focus...is aimed at achieving the Council's strengthening and development, through uniting metalworkers in Mexico, through different forms of organization, respecting the labor union autonomy of each organization, assuming the commitments coming from the Council."¹⁴

The proposal is, at least, promising, especially in a context in which most of the organizations have been characterized by retreating to "their own problems" with minimal connections to the outside. In fact, as can be observed in the Table of results from negotiations, the immense majority of labor unions did not seek any type of support in the context of their wage and/or collective bargaining negotiations. Despite the fact that respect for the *autonomy* of each organization is acknowledged, it is also recognized that supra-union commitments are also made when a commitment is offered to the agreements proposed within the Council.

- B. Research, information, consultation and training

¹⁴ CNTM 2003-2004 Action Plan, p. 2.

This focus is aimed at developing various tools and activities of analysis, diagnostic assessment, study, consultation, training and the development of proposals related to metalworkers and the international, regional, national and particular contexts for each company or workplace.¹⁵

We can see the need to specifically follow up on the evolution of the industry in order for labor unions to be able to generate their own strategy, with a perspective based on a global vision, but also including information from the company as the basis for understanding its situation in the world.

A central aspect that currently defines the performance of companies and company plants is the topic of productivity. A recurrent topic, it appears today as a central aspect in company agendas and is generally defined in a unilateral manner. In this regard, the CNTM defines a position which is highly necessary for the context in Mexico.

Increased competition in markets has forced companies to make technological changes in their processes and products, and to implement new work methods, translating into an increase in productivity and in this way enabling them to recuperate and improve profits. Nevertheless, the benefits from these strategies have not been equally distributed, and it is therefore necessary that labor unions develop their own vision for negotiating methods for increasing productivity and achieving a better distribution of its results.¹⁶

As we can observe on the basis of this initial document, the series of proposals made from the beginning appears to be not only strictly unprecedented in labor unionism in this sector, but in the current context, it can be described as a renovating perspective for labor union action.

¹⁵ CNMT 2003-2004 Action Plan, p. 3.

¹⁶ CNMT 2003-2004 Action Plan, p. 6.

6. Concluding remarks

This initiative is complemented by the perspective of the needs of labor unions in diverse industries and by the IMF's initiative, however it must face two important challenges. The first is, without a doubt, the adverse context faced by workers and labor unions since the early 1980s. This first challenge is related to the most perverse effects from globalization, as well as the economic policies implemented by the State and the flexibilization strategies used by companies in the internal context within each workplace. In the specific case of Mexico, this challenge also involves the delayed reform of the Federal Labor Law.

The second challenge is at the internal level, for example in traditional labor union structures that require a renovation of their processes for decision-making, and this necessarily points to greater democratization at the different levels. In terms of the Council, the intention is to bring in organizations from different organizational traditions, styles and perspectives. And even within the organizations belonging to the so-called official labor confederations, this initiative is unprecedented, since despite the several decades of their existence, unified organization has never been promoted, and even less so, united action.

In this sense, the experience recently initiated by labor unions in the metal sector points to a series of questions from the viewpoint of labor union renovation.

Some of these issues are the following:

A) The strengthening of their *power resources* at both the internal and external levels. In relation to this point, the focus called *Labor*

*Union Development*¹⁷ especially stands out, with its emphasis on objectives such as reflecting on what labor union organizations are today and where they are going; and such as promoting a class consciousness among union representatives as well as rank and file members. This is a very important point in the redefinition of labor union organizations today, and in the way they are viewed and perceived by society. This involves analyzing the perspective that sees in this type of representation a symbol of the past, a source of privileges and corruption in many cases, and of course, the loss of capacity as active participants in social, economic and political dialogue for defining the country's projects.

This aspiration is related to an important objective: a change of attitudes in order to *implement the best labor union practices*. This point is clearly related to not only aspects such as the way the organization is managed, but also involves a review of its practices in decision-making processes, participation by rank and file members, transparency of information, and relations with management, as well as aspects linked to the way memberships are composed.

B) Convergence and maintaining a supra-union structure that incorporates various traditions, styles and perspectives within the labor union organization. Here, the IMF plays a very important role in promoting this initiative, however it is true that if organizations were not sensitive to recognizing the need for making progress in policies for achieving unity, this initiative would not be feasible. The existence of a tradition of negotiating and resolving conflicts only within the context of each plant is perceived as a limitation, and thus the need to break with isolation that is often encouraged by companies, but within which

¹⁷ CNMT 2003-2004 Action Plan, p. 4.

the divided nature of labor union organization has also undoubtedly played a role.

C) The development of a common agenda for confronting problems in both the context of labor negotiations and relations with the rest of society. In the plan, *Demanding respect for and promoting the rights of workers* corresponds to this point. We believe this is of great importance since what is considered is first of all, the homogenization of conditions stipulated in collective bargaining agreements for workers in service-providing and outsourcing companies, although it is certainly noteworthy that the same is not proposed for the collective bargaining agreements of the labor unions that formulated the document. Secondly, an aspect that is at least provocative for the Mexican context is *to fight for the participation of workers and labor unions in the co-management of production*.¹⁸ In other words, what is explicitly proposed is the topic of *co-responsibility* in the positive functioning of a company. And this is an objective that can only be achieved to the degree that workers have strategic capacities based on their knowledge and abilities, but primarily their attitudes around being a proactive participant in the daily management of the organization. Beyond the implications of co-management, what is important, from our point of view, is the fact that labor union organizations have a goal that extends far beyond the horizon than currently considered in the sphere of negotiations in labor relations in Mexico. As a complement to this point, the promotion of *new labor rights* is also considered —the result of new realities in the world of work. Without a doubt, this aspect has repercussions not only for workers in the sector, but also for society in general, since the transformations underway globally impact the labor world in many ways.

¹⁸ Plan de Acción CNTM 2003-2004, p. 5.

A topic that we view as fundamental is the vision that labor union organizations have for recuperating a central position in the definition of the country's project and the development model that sustains it. And here, the proposal is to *Demand the right to social dialogue, for participating in the designing and implementing of public policies*. This proposal extends far beyond the defensive, localist and short-term vision that has been historically exhibited by most of the labor union organizations that currently make up the CNTM.

With the role of labor union organizations proposed in this way, these points we have referred to as part of the CNTM Action Plan are in reality a simple declaration of intentions that does not signify a commitment of any kind on the part of any of the organizations that participated in developing this plan. What does spark their commitment, however, is a reality that makes work increasingly precarious and devalued in social terms, thus placing into question the historic role that labor union organizations have played in putting a stop to this process. What is at play is the redefinition of the spaces of work and the negotiating of work, as well as labor conditions, but especially the role that labor unions should play in redefining the sphere of civil and political society and the future projects of each one of the societies where they are located.

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No. workers	Review date	Market	Average wage	Type of review	Economic Benefits	Wages	External Support
(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
200 workers, 00 women, 00 men	21-01-04		Daily average 102.43 Min. 83 Max. 206 .	Wages	Every 2 years According to conditions, supermarket vouchers are granted	6%	CTM did not provide support
670 workers, 310 men, 360 women	18-08-04	Market for US and Canada	1136.00 pesos per month (previously 950.00 pesos per month) Average: 180 pesos 304 pesos (majority of the people) 444 pesos	Agreement 4X3 CBA Strike lasted two days	8-08-2003 1. Segment A (workers with more seniority) 2. Segment B (more new) 3. Drop in wages for both categories 4. 70% for workers A • If laid off, they are paid 50% of wages, day by day, and 100% of benefits	4.5% in wages and 1.6% in benefits (basic food basket)	Various actors involved

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workers	Review date	Market	Average wage	Type of review	Economic benefits	Wages	External support
workers, male nnel	28-01-04		Average: 262 Propose method for determining average	Wages		4.5% 5% during four years	Support from CTM. Exchange of information with other labor unions in DESC corporate group.
Chihuahua (workers)	Chihuahua: 20-02-04	Exportation	Chihuahua: Average: 280 Domestic exportation	CBA	% of savings fund has been reduced (change the % that was being invested in the fund, tax exempt)	Chihuahua: 1% benefits 5% wages	Not mentioned
Hermosillo (workers)	Hermosillo: 28-02-04	Specify for the other plants	Hermosillo: Average: 320 Min: 175 Max: 410	CBA	The newest individuals in the seniority structure	Hermosillo: 1% benefits 5% wages	
Cuautitlán (801 ers):	Cuautitlán: 31-03-04		Cuautitlán: Average: 320 Min: 175 Max: 410	CBA	have been the most affected (circumstantial effect from this context).	Cuautitlán: 5% wages (with the treat of the plant closing, management wants to equalize wages)	

No. workers	Review date	Market	Average wage	Type of review	Economic benefits	Wages	External
17 workers, 36 men, 1 women	01-07-04	Domestic and export market (What %?)	Average: 212 Min: 110.76 Max: 280.11	CBA	Benefits paid early, school assistance in the months of July and August (260 X 4.84 days)	4%	Not mentioned
3 workers 3 women men	28-02-04	(Ask)	Average: 114.28 Min: 81.60 Max: 144.90	Wages		5%	Not mentioned
0 workers	13-08-04	Exportation: 95% Domestic consumption: 5% All for foreign	Average: 220 Min: 160 Max: 367	CBA		4% wages 1.5% benefits 300 pesos in specific assistance	Support from CROC (standard in negotiations: VW)

No. workers	Review date	Market	Average wage	Type of review	Economic benefits	Wages	External support
30 workers in various cities in the state of San Luis Potosí and Sonora	15-02-04	Nissan, US, Canada	Unify CBA Average: 95 Min: 87 Max: 160	Wages		5% wages 1% benefits	By accident or natural coincidence in the talks, strategies from an old CTM company came out.
10 workers 10 men 0 women	31-01-04	US and Canada (Kenworth and Freightliner)	CBA 184 (AAG calculation) Min: 138 Max: 230	Wages	Productivity bonus, 20% a week (10% in quality, 10% in production) Punctuality and attendance: 12% of wage on wage scale per month	5% in wages 2% in vouchers Productivity bonuses Objectives: Quality Perfect attendance	Support from CTM and the sections in the same union in the automotive branch

o. workers	Review date	Market	Average wage	Type of review	Economic benefits	Wages	External support
0 workers men women	28-08-04 Anticipated raise in wages 01-03-04: diverse categories 01-04-04: last category	Exportation	Average: 180 Min: 72.10 Max: 203.20 Categories: 1-3 months: increase of 3% 6 months up to 26 months: 6%	Wages	Additional bonus: 1.84% of category B to the ultra (additional single bonus) 500 pesos 900 pesos 1300 pesos 1950 pesos Retroactive to the 1 st of March	From 3% up to 6% 3% in the first 3 months Beginning: 6 months Ceiling: 23 months	Not mentioned

No. workers	Review date	Market	Average wage	Type of review	Economic benefits	Wages	External support
407 workers 405 men 2 women	22-04-04	Exportation	Average: 170 and 180 Min: 78 Max: 200 Supermarket vouchers: 8%	Wages	Productivity bonus 5% of wage on wage scale per month, per quality, productivity and rate of accidents Bonus by points and attendance 1750 pesos per year End-of-year bonus: 1280 pesos	4.5% wage scale PTU (workers' share of profits) Change of company name: 9 weeks of wages	Not mentioned
270 workers (2004) 225 men 45 women Total was 615 in 2002	30-06-04		Average: 140 Min: 80 Max: 230 Reach ceiling 14 months	CBA		4% wags 0.5% savings fund No profit sharing payment in 17 years	Not mentioned

No. workers	Review date	Market	Average wage	Type of review	Economic benefits	Wages	External support
1680 workers 1380 women 300 men	31-01-04	Exportation	Average: 95 Min: 61.09 Max: 137.68 Goal recompense: 8% Quality recompense: 39% Supermarket vouchers: 12% daily	CBA	Savings fund: 13% of daily wage Punctuality recompense Recompense for physical exertion (from 160 to 214) and assistance for school supplies (120 to 150) every 2 months	4.5% wages	The same labor unions with the UNT and independent labor unions

No. workers	Review date	Market	Average wage	Type of review	Economic benefits	Wages	External support
1500 male workers	31-03-04	TSURU: MEXICO SENTRA: AMERICA	Average: 309.68 10 categories: 1: 410.47 10: 205.10	CBA		1% benefits 4% wages	Supported on VW (exchange of information and techniques for confronting coercive measures)

No. workers	Review date	Market	Average wage	Type of review	Economic benefits	Wages	External support
3178 workers 3000 men 178 women	25-03-04	95% US 2% Canada 2.5% Mexico 0.5% Middle East	Average: 70 176 Min: 170 Max: 283 .	CBA	Supermarket vouchers: 500 pesos (one-time)	1.75% in benefits 4.5% wages	Not mentioned % granted of salary is different according to region: unnecessary comparisons Solidarity needed to level out conditions

mat design by Arnulfo Arteaga García, Bernardo Rangel Segovia and systematization by Mélanie
irier and Arnulfo Arteaga García, based on information provided by union representatives at the
n October 6-9, 2004 in Guanajuato, Guanajuato, Mexico.