Uruguayan trade unionism is currently experiencing a »golden era«. Under the Frente Amplio (FA) administration, which has been in power since 2005, trade unions have significantly increased their power resources and become a privileged and indispensable partner of the government. Their long-term strategic partnership has been mutually beneficial, since the FA needed the trade unions’ organizational capacity and mobilizing power to win parliamentary elections, and far-reaching positive labor reforms have been of high returns for the trade unions. This alliance has not created dependency or submission on either side, as becomes visible in the currently rising conflictivity.

Trade unionism in Uruguay is grounded on the traditions of a welfare state. In the past, unions have shown a strong commitment towards unification; high-resistance capacity; good organizational structures and high articulating capacities with other actors. The Inter-union Workers’ Plenary – National Workers Convention (PIT-CNT) has currently an affiliation rate of almost 40 percent, one of the highest rates in Latin America.

Still, pending items and outstanding debts are the scarce participation of women and youth at all power levels, as well as PIT-CNT’s involvement at the international level. The trade unions’ strength is also causing rejection in some sectors of society. Despite this criticism, trade unions have always been regarded as a legitimate actor in the country’s institutional framework.

Trade Unions in Transformation is an FES project that identifies unions’ power resources and capabilities that contribute to successful trade union action. This study features among two dozen case studies from around the world demonstrating how unions have transformed to get stronger.
Abstract ......................................................... 3

1. Introduction: A Unique Trade Union Movement ........................................ 3

2. Strong Democratic and Social Traditions:
   A Protective Environment for Trade Unionism ........................................ 4

3. Commitment to Unity as a Token of Trade Union Identity ....................... 4


5. The Post-dictatorial Period: Resisting Economic Liberalism ................... 6

6. Allied to Change the Country .................................................................... 7

7. Keeping Promises: The FA Administrations and the Trade Union Movement .... 8

8. The FA Administrations: The Golden Era of Trade Union Power ............. 9

9. An Inward Gaze: Pending Items and Outstanding Debts ....................... 10

10. Dark Spots and Dangers .......................................................................... 12

11. Some Lessons Learned from the Uruguayan Trade Union Experience ....... 12

12. Future Scenarios ..................................................................................... 13

References .................................................................................................. 15
1. Introduction: A Unique Trade Union Movement

Despite being a small and thinly populated South American country, Uruguay has become renowned for particular traditions and values which have placed it at an extraordinary position within the region. This refers to the early constitution of a welfare state and a decidedly democratic culture, as well as to the well-developed party system and the representative and combative trade union movement. The recent experiences with three Frente Amplio (FA) administrations and their strong links with trade unionism add to this.

Under the administrations of the FA, a political force which assembles centre-left and left-wing parties, the welfare state has been experiencing an important revival. The FA taking office at the end of 2004 would not have been possible without a strategic alliance with the unified Inter-union Workers’ Plenary – National Workers’ Convention (PIT-CNT). It is an alliance based on programmatic agreements respecting both actors’ autonomy.

Within the extensive reform agenda implemented by the successive FA administrations, the wide-reaching labour reforms, which usually were agreed with the trade union centre, have significantly increased trade union power and representation.

Taking the power resources concept as the point of reference for analysis, it shows that at present a combination of structural, institutional, associational and societal power resources has moved the trade union movement to a social and political position never seen before in the country’s history. But what have been the factors and paths that have turned the trade unions into a societal power and from there into a privileged and indispensable partner of the FA?

Firstly, both the trade unions and the FA are strongly marked and influenced by the social and democratic traditions that have shaped the country. Secondly, the trade unions stand out for their commitment to unity, together with a high capacity for mobilising and organising, and against the backdrop of a democratic and leftist culture. This enabled them to survive even under highly unfavourable conditions, for instance during the military dictatorship (1973–1985) and in the following years, which were marked by neoliberal tendencies.

However, although it is currently at the height of its power, Uruguayan trade unionism still has a series of pending agendas and its strength is also causing rejection in...
some backgrounds. Further to that, recent political and economic changes in the region, that are also affecting Uruguay, may in the intermediate term have a negative effect on trade unionism.

2. Strong Democratic and Social Traditions: A Protective Environment for Trade Unionism

As early as in the first decade of the 20th century, the foundations were laid for a framework of strong democratic institutions and a well-developed welfare state in Uruguay. These changes and reforms which made Uruguay one of the region’s most stable countries are closely related to President José Batlle y Ordóñez’s two terms of office (1903–1907 and 1911–1917). Some years later, in 1943, but still in this same tradition, the Wage Councils were set up, a unique collective bargaining system with strong state participation which became a central and decisive element both for the consolidation of labour relations and for the development and promotion of the trade union movement. With the implementation of this system, the trade unions acquired an important institutional power resource. Over the years the weight and relevance of the Councils has undergone change in various directions.

The development of a welfare state, linked to democratic governments respecting and protecting the trade unions’ autonomy and rights, had a strong effect on the trade union culture and profoundly linked welfare state, democracy and trade union development. This link, which is an important institutional and to some extent also structural power resource, was of great value to the trade union movement; due to this link, the trade union movement has been accepted as a legitimate actor and part of the framework of democratic institutions, factors which simultaneously made dialogue and negotiation possible and increased the possibility to achieve legislative and institutional progress. The trade unions benefitted from the welfare state and democratic system, but also helped develop and consolidate them.

This made a significant difference to other countries of the region, such as Argentina and Brazil. There, the administrations of Juan Domingo Perón and Getúlio Vargas in the 1930s and 1940s, both with certain authoritarian traits, introduced social and labour reforms but simultaneously imposed a trade union model “from above” that served their interests and necessities.

The social and democratic tradition in Uruguay does not mean that the country did not live through similarly dark epochs and periods like the other Latin American nations between 1933 and 1942 and most of all during the era of its military dictatorship (1973–1985); nor does it mean that democratic administrations of a more conservative orientation supported or promoted the trade union movement. As a matter of fact they fought it with distinct policies and tried to restrict its influence, however, they never questioned its existence or its position in the democratic system. The acceptance of the welfare state and of democracy as values shared by a large majority of Uruguayan society contrasts strongly with what is happening in most other Latin American countries, where historically a climate hostile towards trade unionism has prevailed.

3. Commitment to Unity as a Token of Trade Union Identity

The beginnings of the trade union movement date back to the 1870s and there are some concurrences with the trade union movements in other countries in the region such as Argentina, Chile and Brazil. Although the anarcho-syndical tradition had a stronger impact and presence (which in parts explains the great mobilisation and activating capacity characterising Uruguay trade unionism until today), in the 1920s and 1930s the socialist and communist currents began to prevail. Although there had been prior attempts at establishing trade union unity, it was in the fifties, in a setting of economic crisis and growing conflicts, that the conditions for reaching unification became favourable and it was

2. The most famous of Uruguayan political historians, Gerardo Caetano, for more than three decades now has dedicated himself amongst other things to the study of “Batllismo”. Cf. Caetano 2011.
6. In the annual reports of the Latinobarómetro, Uruguay has ranked first almost every year regarding the acceptance of democracy. Cf. www.latinobarometro.org.
finally achieved during the first half of the sixties. The People’s Congress of 1965 was a milestone on this path since it reunited representatives of the most important social and cultural organisations. In the formal foundation of the CNT, effected on 28 September 1966, almost all trade unions participated.\footnote{Only the physicians did not join the CNT but their trade union has always maintained a fraternal relationship with the Centre.}

This unity, which has already existed for half a century now, has some specific characteristics. It was not imposed from above by the state or political parties but achieved from within trade unionism, which is quite unprecedented and exceptional in Latin America.\footnote{Generally, there are few examples of long duration trade union unity in Latin America. And in many cases this unity was mainly imposed from above.}

Trade union unity also was an important message to the political and social world and a strong impulse for the foundation of the FA in 1971.

It wouldn’t be erroneous to conclude that trade union unity was the precursor of political unity.

Despite the change of name, trade union unity has been maintained ever since, even during military dictatorship. However, it was not easy to keep it up in the middle of permanent dispute between political currents, particularly between communists and trade unions of other leftist affiliations.

Even though the majorities within the Centre have changed over the years, unity was affirmed as a guiding principle shared by all. This was so much so that within Uruguayan trade unionism one conviction has been: Whoever leaves will lose!

This commitment to unity, expressed in many struggles and mobilisations, together with its preservation of autonomy, democratic structures and non-existing cases of corruption, have significantly increased trade unionism’s associational and institutional resources because these principles turned the Centre into a legitimate mouthpiece, able to negotiate in a unified way with governments, employers and public institutions and simultaneously enabling the Centre to interact with other civil society actors and thereby build societal power.

4. Surviving Military Dictatorship: The Capacity of Resistance

Uruguay, too, lived through the period of military dictatorships stretching over the Southern Cone. Although there was a joint scheme behind it – the Operation Condor – the precursors and the development of the dictatorships in Brazil (1964–1985), Chile (1973–1990), Uruguay (1973–1985) and Argentina (1976–1983) differed in many aspects.\footnote{Operation Condor promoted the coordination of actions and the mutual support of the Southern Cone’s dictatorial regimes with the assistance of the United States; it was carried out in the 1970s and 1980s.}

During the 1960s Uruguay underwent a large-scale process of economic and social deterioration accompanied by a significant increase of conflicts. The increasing authoritarianism of the administrations of Jorge Pacheco Areco (1967–1972) and Juan María Bordaberry (1972–1976) fostered the increase of political violence and the rise of guerrilla movements of the left (particularly the National Liberation Movement, MLN – Tupamaros), which led to a form of military co-participation with the civil power. On 27 June 1973, parliament was dissolved, political activities were stopped, political parties and organisations of the Left were banned and a military dictatorship was installed. The trade unions and the CNT, along with students and the popular sectors, responded with a general strike which lasted fifteen days. This period will be remembered for the sentence: »Dictatorship was born fatally injured and without social support, an aspect being recognised by the entire political system in Uruguay.«\footnote{Cf. www.republica.com.uy/parlamento-conmemoro-los-50-anos-unidad-del-movimiento-sindical/585288/} The dictatorship set in motion a wave of repression which resulted in the CNT itself becoming a proscribed organisation.

From November 1980, when the dictatorship’s constitutional project was defeated at the polls, the forums for an anti-dictatorial struggle multiplied. After having banned the CNT in June 1973, a law from May 1981 granted the establishment of »occupational associations«, which the workers made use of in order to organise and reorganise.

A fresh mood spread between 1982 and 1983. In 1983, a group of trade unions succeeded in celebrating May Day through a huge public act. They did so in front of
the closed down Parliament building, under the banner of »Freedom, work, pay and amnesty«. It was necessary to give a name to the coordination of »occupational associations« who had organised it, and so the Inter-union Workers’ Plenary (PIT) was born. The 1984 May Day celebration expressed the symbolic union between PIT and CNT under the motto »One united trade union movement«. The trade unions had managed to survive the dictatorship, but their power resources had dwindled. Central institutional power resources, such as the framework of democratic institutions and key elements of the welfare state, had been dissolved and the Wage Councils shut down. The dissolution of the CNT and the prosecution of trade union leaders drastically reduced trade unionism’s associational power. The attacks on trade unionism with the objective to reduce its action ability along with a difficult economic situation also made structural power resources drop to a minimum. But despite all that, the trade unions adapted to the new context, sought alternative forms to preserve their organisations and showed a high capacity of resistance.

5. The Post-dictatorial Period: Resisting Economic Liberalism

During the transition phase (1982–1985) trade unions in general and the PIT-CNT assumed a dominant political role. The clearest expression of this was the organisation of the 1983 May Day rally which more than 250,000 people attended, almost three times the number of trade union affiliates throughout the country. However, with the reinstatement of democracy after the elections in November 1984 and after the new administration had assumed office, the political parties and the left at large strongly revived and thereby reduced the political centrality of trade unionism. The 1990s started with the right-wing National Party’s candidate Luis Alberto Lacalle’s electoral success, followed in 1995 by the Partido Colorado candidate Julio María Sanguinetti, who the citizens elected for a second term of office, having already served as President from 1985 to 1990. Uruguay joined the wave of neoliberal policies, although in a less dramatic version than its Argentinian neighbours, for instance. The Wage Councils, which Sanguinetti had still convened during his first term of office, were no longer convened, and a process of labour deregulation and labour market flexibilization set in at the same time. During this period the trade union movement suffered considerable weakness, both in its influencing capacity and in the number of its affiliates. A low point was reached in 2003 when the affiliation rate was round-about 10 percent (totaling 102,000 members), whereas it had exceeded 35 percent at the end of the 1980s.11

In the midst of a dramatic loss of structural and, to a lesser extent, institutional power resources, the trade unions nevertheless managed to keep up a meaningful centrality on the political scene by means of the major role they played in the so-called referendums. They are a binding form of popular consultation stipulated in the Constitution of the Republic. Juan Castillo, then PIT-CNT General Coordinator and Centre Chairman between 2008 and 2012: »The trade unions were extremely little in practice by the existing persecution, without collective bargaining, with high unemployment rates and a government that did not represent us, but at the same time enjoyed broad support by the people and we realized that the mechanisms of popular consultation offered a possibility to reduce the most negative aspects of the Right’s neoliberal policies.«12

To conduct consultations of this kind demanded an enormous mobilisation capacity, and without the trade unions’ commitment it would have been almost impossible to convene them and obtain favourable results. The political opposition and its partner social organisations managed to obtain large majorities by means of this instrument and to thus frustrate quite a number of official initiatives. Without doubt the culmination of this duel between the trade unions and the traditional parties’ governments was the repeal of the Public Companies Act (whose objective had been the privatisation of strategic sectors owned by the state), endorsed by 79 percent of the population in December 1992.

In a way the years of economic liberalism (1990–2005) and particularly those of the heavy economic crisis of 2001 and 2002 were the most difficult for the trade unions since the return to democracy. They had emerged from dictatorship and had acquired extraordinary power and stability in the transition phase, only to face yet another complicated situation. The structural and, to a lesser extent, institutional power resources were most

---

11. Own compilation based on the number of paying members declared at each PIT-CNT Congress.
12. Interview with Juan Castillo, 22/11/2016, FA Vice President from 2012 and current Labour Director at the Ministry of Labour and Social Security.
affected, particularly due to the exclusion of the Wage Councils. But, paradoxically, the trade union movement has managed to maintain a fair part of its associational power resources as its leading role in the different referendums shows, where they substantiated in its mobilising capacity. It has also maintained a fair part of its societal power resources, as is shown by its competence to forge multiple alliances necessary for the referendums, i.e. it has maintained a certain political centrality even at the peak of the economic crisis.

6. Allied to Change the Country

The trade union unity established in 1966 had significantly driven the progressive forces’ political unity. In 1971, the FA was founded. At their first elections this political formation won 17.77 percent of the votes, a respectable result questioning the two-party system which had dominated for almost 170 years for the first time. Then the ascent of the FA was stopped abruptly by the military dictatorship.

After the dictatorship the FA was reconstituted and managed to exceed the role it had had prior to the coup d’etat until in 1999 it became the most voted for political force with almost 40 percent of the vote. Over the years the FA did not only integrate new groups and grow in the number of votes but slowly stopped being a traditional coalition to become an ever more consistent and unified compound – the »political force« as the Uruguays put it. With the Partido Colorado’s switch to more and more conservative positions the FA turned into the legitimate heir to the traditional Batlismo.

Meanwhile, a continuously stronger relationship between the FA and the PIT-CNT got under way, based on joint programmatic principles, interests and aspirations.

Milton Castellanos, prominent PIT-CNT leader and director of the Cuesta Duarte Institute, an organisation responsible for trade union research and training, describes the historical relation between the FA and Uruguayan trade unionism like this: »That the trade union movement would see itself represented in most of the FA adminstrative bodies is almost a self-evident conclusion in most of the left’s demands has never surprised anybody in Uruguay. In actual fact one could venture to say that it was the Left who during its unification period at the end of the 60s and beginning of the 70s almost completely took over the demands expressed by organised civil society in the sixties, particularly by the People’s Congress (…) Maybe the best definition of this fine line is the phrase: the trade union movement is independent of but not indifferent to the political projects in question.«

With regard to the 2004 elections which were triumphantly won by the FA, Eduardo Bonomi, one of the key FA figures in the field of drawing up and implementing the relationship between political force, trade union movement and government, defined the alliance’s bases and objectives as follows: »Since the very make-up of the team elaborating the FA platform for the 2004 elections it has been assumed that the relationship with the trade union movement would be central and strategic because of a historical political commitment but also because of election logic. Two country models had become more clearly opposed than ever: One that had drowned Uruguay in a historic crisis, increasing inequality to historic levels in our country, and another putting the people at large at the centre of attention. For this second option, represented by the FA, the alliance and identification with the organised workers was decisive in the electoral dispute and one of the reasons for its victory.«

Former President José »Pepe« Mujica also insisted on the historic consonance between FA and the trade unions and the common goal to change the country: »The organised workers’ part was and will continue to be central to the transformations in society, even more so with a government of the Left. Everyone playing their part but conscious of the fact that the future is at stake, and if one of them falters then the other one will falter too, because FA and PIT-CNT are animals born from the same placenta (…) In a system like ours any transformation depends on the correlation of forces and it’s there that the relationship with the trade unions turns strategic, not

13. Cf. www.corteelectoral.gub.uy

14. Interview with Milton Castellanos, 3/12/2016. Castellanos was as a trade union representative fundamentally important in drawing up and implementing the relationship between political force, trade union movement and government. The Cuesta Duarte Institute was founded in 1989 and has a high reputation in society. Its quarterly economy report is a reference for labour, economic and political issues and the information is clearly echoed in the communication media. Cf. www.cuestaduarte.org.uy.

15. Interview with Eduardo Bonomi, 9/6/2016. Bonomi formed part of the 2004 Tabaré Vázquez campaign team and was appointed Labour Minister during the first FA administration (2005–2010). He was campaign leader of José Mujica and Home Secretary under his administration (2010–2015). He still works in this Ministry and is the only minister to have formed part of all three FA administrations.
only for winning an election but for changing the country (…) For this reason we need trade union leaders not only with votes, being strong representatives, who we do have in Uruguay. We need leaders who are prepared, who know about economics, about production.«

It is needless to say that the FA needed the trade unions’ organisational capacity and mobilising power in order to be able to achieve its electoral aspirations, while the trade unions made use of this societal power resource to bet on a political actor able and willing to change the traditional agenda and simultaneously improve the organised workers’ situation if he should win the elections.

But at the same time the PIT-CNT alliance with the FA has not created dependency or submission by one or the other side. The PIT-CNT has maintained its autonomy in all aspects. In the alliance with the FA, trade unionism has used the societal power resource hoping to win other power resources. This strategy bore some risks. On the one hand, the strong engagement with the FA accentuated the rift with the traditional parties (and most of all with the Partido Colorado), which until 2004 had assembled behind it the majority of the electorate. The PIT-CNT was regarded as an extension of the FA and not as an interlocutor any more by the traditional parties, by most of the employers and by the communication media. Simultaneously, the trade unions didn’t have any guarantee that the FA would ever win the elections and would manage to maintain its cohesion and unity.

The FA victory in the 2004 elections proved that the PIT-CNT’s wagering was right. It laid the foundation for the miraculous renaissance of the trade union movement.

7. Keeping Promises: The FA Administrations and the Trade Union Movement

The first FA administration, led by Tabaré Vázquez, took office in 2005. The FA also won the following two elections, the 2009 elections with José »Pepe« Mujica as Presidential Candidate and the 2014 elections, again with Vázquez.17

All in all, it could be said that the relations between the FA administrations, trade unionism and the political force have gone through three cycles. The first started even before the triumph of the 2004 elections and had its origin in the formal and informal dialogue forums which had been set up and helped to develop the FA programme and electoral platform. Trade unionists had been collaborating and trade union proposals and demands were reflected in the development of central documents which the FA Presidential Candidate, Tabaré Vázquez, presented to society as his campaign pledges (»Democratic Uruguay«, »Social Uruguay«, »Integrated Uruguay«, »Productive Uruguay« and »Innovative Uruguay«). Needless to say, it was very easy for any trade unionist to maintain that these proposals reflected the workers’ feelings. This was decisive in the electoral campaign, not only for what it meant by itself to the people but for the way it had been established: months of work and discussion, including international experiences (Moncloa Pact in Spain, Sectoral Councils in Brazil) and building up trust between the actors.

This way, as Bonomi puts it, »most of the electoral proposals, not only those linked to labour, were agreed with the trade unions and in actual fact some of them turned into the flagship of the first government of the Left. This also explains the high amount of trade union leaders who ended up holding senior executive positions in the new administration, including various ministers.« 18

This first cycle lasted through the entire first administration, which focused on economic reactivation (overcoming the 2002 crisis); recuperation of employment and pay; and the adoption of more than 50 Acts on labour issues. Among the most important of these were the Collective Bargaining Act for public and private workers; the Trade Union Protection Act; the Domestic Labour Act; the Act on the eight hour workday for rural workers; and the Outsourcing Act. Numerous improvements of the effective legislation were also implemented. Social dialogue was a substantial element in achieving those goals, proof of which was the numerous instances of tripartite dialogue forums which had been fostered.

During the Mujica administration (2010–2015) this changed substantially and what could be defined as the second cycle started, during which the focus was not on

17. The Uruguayan Constitution prohibits the President of the Republic’s immediate reelection.
18. Interview with E. Bonomi, as cited.
the legislative dimension any more. The debates evolved around profounder reforms and around what was called the »agenda of new rights«. A step was taken from emergency plans to structural reforms. According to Bonomi: »We proceeded from a cycle of intense negotiating and promoting labour issues to a second cycle in which the structural issues were at the heart of the relationship between government, trade union movement and political force (...) For both cycles, the system of informal dialogue facilitated by the FES was decisive, even at difficult moments. And it is even more so now that the economic conditions are unfavourable and the options of public policy getting more and more restricted.«

This requested a change of the actors sitting at the bargaining tables. Many more ministers were included and the FA President began to participate. Talks got more »political« and tensions started to rise when profound reforms of the educational system, the state reform, security, tax policy and regulations of investment incentives were driven forward. A large part of these tensions were settled with José Mujica’s straightforward taking of office as President of the Republic, maintaining a permanent relationship with the PIT-CNT governing body. This came as a surprise, since historically the relationship between the political sector to which Mujica belonged (the MLN) and the trade union movement wasn’t too close, as opposed to the case of Tabaré Vázquez coming from the Socialist Party. Nevertheless, it was an ongoing two-sided relationship and probably, seen from today’s perspective, it was the best period in terms of dialogue.

With the third FA triumph at the 2014 elections the relationship between government, trade union movement and political force entered a third phase, fundamentally marked by the deterioration of the economic situation. During this cycle the number of conflicts between the three parts of this alliance was at its height. The Government’s agenda was more conservative and promoted only some new issues (care system and social dialogue), putting economic stability first.

The end of 2015 and beginning of 2016 turned out to be the most difficult moments. After the President of the Republic’s participation in the PIT-CNT Congress in June 2015 a series of disagreements was set off reaching their peak during the conflict on education. In this conflict the trade unions proved their capacity to forge powerful social alliances, which made the Government step back in a way that undoubtedly may be called a defeat – the first and most important one since 2005. Since this moment one has tried to reset the climate for dialogue and the quality of relationships. But the economic background is not helpful, with restrictions being very high.

The existence of dialogue forums between the three parties has been crucial for maintaining dialogue and most of all the definition of joint strategies regarding the economic and political situation (which has been much more unfavourable and complex than in earlier cycles). It may be said, seeing this process in perspective, that for the first two terms of office the FA had a script and knew how to set it up and implement it. For the new cycle there doesn’t seem to be a strategy and this is directly reflected in the relations network with the trade union movement. Most of the problems originate from form and not from content. Unnecessary conflicts which could have been evaded through previous dialogue come to pass. A deficit in political articulation is evident, not only with regard to the trade union movement but also the parliamentary representation of the political force (and in many cases within the government itself). In this climate, most of the public conflicts were »won« by the trade unions, which is why various analysts maintain that the PIT-CNT is the one who really reigns and imposes its will on the government.

8. The FA Administrations: The Golden Era of Trade Union Power

Even though the relations between government and trade union movement have moved through different moments, in general and from a historical perspective one may call it the golden era of the trade union movement. Both the strong economic growth during the first two FA administrations and the determined intervention on the labour agenda have had positive effects on employment and wages and have thereby increased the trade unions’ structural power resources, which had

19. Interview with E. Bonomi, as cited. The »FES dialogue« refers to informal meetings between government officials, trade union leaders and FA leaders.


notably suffered during the economic crisis and administrations of the traditional political parties. Those policies’ results had a great impact on the labour market. Between 2004 and 2013 more than half a million jobs covered by social security were created. Real wages grew by 46.6 percent over the course of the Wage Councils’ restoration, and the minimum wage grew by 242.6 percent in real terms between 2004 and 2014 and was recuperated as an employment policy instrument. Record levels of activity and employment rates were reached.\textsuperscript{22}

In addition to the fact that this kind of legislation substantially improved the workers’ living and working conditions, it also had an immensely positive effect on trade unionism as such, particularly through the reactivation of the Wage Councils and the extension of collective rights, accompanied by the greater autonomy granted to trade unions and employers. The transformations also included sectors which had traditionally been at the margin of trade union focus, such as peasant workers and female domestic workers, for the first time.

Within few years, the affiliation rate increase, even surpassing the 1990s rate four times over. With an active working population of around 1,700,000, the PIT-CNT currently has 424,500 members, i.e. an affiliation rate of almost 40 percent.\textsuperscript{23} This is probably the highest rate in Latin America other than Argentina, with the exception of the rather special Cuban case.

All these factors taken together (an exceptionally favourable collective bargaining system, the extension of the Wage Councils and various Acts on trade union leadership protection) substantially increased the trade unions’ spokesperson capacities towards employers and state. In combination with the trade unions’ ongoing unity the trade union centre’s associational power reached peak level.

This was adjoined by a steady participation in tripartite boards.\textsuperscript{24} It did not only help increase the influence on public policies directly affecting the world of work but also taught the trade unions extraordinary lessons as may be had from participating in this kind of forums. The participation of PIT-CNT in those tripartite boards, equipped with real power, in turn increased its institutional power resources.

The alliance with the FA was a risky option and eventually a bet on the future which turned out right considering the electoral success at the end of 2004 and developed into a societal and institutional power resource of high returns.

Since 2005 trade unionism has been experiencing exceptional times. A combination of structural, institutional, associational and societal power resources made it rise to a social and political position never before attained in the country’s history.

9. An Inward Gaze: Pending Items and Outstanding Debts

Although Uruguayan trade unionism showed a fairly solid structure when compared to the region’s other trade union movements, it yet has certain weak points and problems which are putting its associational power resources in perspective. These pending items are related to its organisational structure, its gender policy and international position.

In the trade union movement’s organisational structure, some very advanced traits mix with some more complex ones. Uruguay is one of the few cases in Latin America where trade union affiliation in general is not related to the company level but to the industrial branch, promoted by the system of the Wage Councils. Although it is the trade unions who achieve collective agreements and define sectoral policy, the trade union centre has the role of gathering and expressing the trade unions’ political power. The make-up of PIT-CNT’s governing bodies differs in several aspects from that of other trade union centres in Latin America. The Executive Committee, which de facto defines the trade union centre’s day-to-day business, and the bigger Representatives Council are not made up of leaders elected by the Congress as the highest instance, but instead a group of trade unions, generally the most important or oldest ones, decide on who is to represent them on either board. This automatically blocks the access of smaller trade unions’ leaders.

\textsuperscript{22} Cf. Olesker 2014.


\textsuperscript{24} As for instance the delegation of PIT-CNT representatives to the Social Security Bank (Banco de Previsión Social), the Sectoral Commission for Mercosur and the National Labour Board.
to those boards. And this structure, as will be shown further down, to some extent has also operated as a barrier preventing women from assuming the most influential positions.

Likewise, when there occurs a change in the correlation of forces of a trade union forming part of the Executive Committee, its representative has to be replaced, which can cause problems of continuity, stability, loyalty and consistence. This system can primarily be attributed to the anarchist tradition, where the logic of grassroots representation prevails. The CNT leaders and later on the PIT-CNT leaders have managed to maintain themselves by keeping up the support of the grassroots trade unions.

Maybe Uruguayan trade unionism’s biggest deficit is the scarce participation of women at all power levels, both in the trade union centre and in the affiliated trade unions. Although women make up almost half of the economically active population and their employment rate on the labour market has been constantly rising, this is not reflected in the trade union structures. According to a 2003 survey, one of the few to be carried out on this issue, the participation of women in the decision-making bodies of the PIT-CNT during the 2001–2003 period, barely reached 15 percent on the Executive Committee and 9 percent on the Representatives Council. The situation in the important trade unions wasn’t much better. The 8th Congress of the trade union centre recognised this »lag« and voted in 2003 for a minimum gender quota of 30 percent to overcome it, but this Congress decision has long since been forgotten.

This is why the current PIT-CNT Executive Committee consists of 18 men and not a single woman. In the Representatives Council the situation is slightly better. Out of the 44 full members currently, nine are women. The situation is the same for many trade unions.

Why is it that a trade union centre which in Latin America serves as a role model for a strong, democratic and mobilising trade unionism scores such little results with respect to gender equality, and thereby waives such important institutional and societal power resources? There are some who maintain that this has to do with the organisational structure: the fact that it is the trade unions forming the governing bodies, and not leaders elected by the Congress, is what limits women’s participation. However, even more important seems to be the weight of a traditional Left which has never attributed high importance to the gender question but instead regarded it as a »class dividing« factor, or in any case has regarded it as being secondary. This is largely confirmed by Juan Castillo, historic communist trade union leader whom we have already introduced: »Our assumption is that in trade unionism the class struggle supersedes gender questions without ignoring that the conditions are worst for women and young people.« Perhaps this adds up to the fact that some of the women leaders and activists, most of them assembled in the PIT-CNT Women’s Committee founded in 1996, have resigned, have chosen rather inefficient strategies or accepted the supremacy of the party line in the gender question. In any case gender equality is part of the trade union centre’s and its constituent trade unions’ future agendas.

For the trade union centre there is also the challenge of rethinking the strategies concerning its international involvement. The PIT-CNT continues to define itself as »independent«, which implies its non-affiliation to any international trade union confederation. This independence was valuable and reasonable in the past with a divided international trade union movement, being a strong argument for maintaining internal unity. »Independence« didn’t prevent the PIT-CNT from contributing to the development of regional trade unionism either, for instance in the sub-regional »Coordinator of the Southern Cone Trade Unions« (CCSCS), set up in 1989.

But the reasons for abstaining from any international affiliation became null and void, particularly with the foundation of the International Trade Union Confederation (ITUC) in 2005, and of the regional Trade Union Confederation of the Americas (TUCA) a few years later in 2008. PIT-CNT was not involved in this process, although many of the trade union centres with whom

25. For these and following data cf. Johnson 2004.
26. In the Bank Workers Association of Uruguay (AEBU), with 37 percent of the affiliates women, their representation on the governing bodies increased from 3 percent in 1993 to 6.1 percent in 2003. 20 percent of the affiliates to the Civil Servants Group of the electricity workers organisation UTE are women but on their executive committee female participation declined from 6.7 percent in 1993 to 0 percent in 2003.
it maintains a strong bilateral cooperation decided to become affiliated to ITUC/TUCA. The situation is different in many of the trade unions affiliated to PIT-CNT who have reacted to the change in international trade union architecture and have over the years affiliated to the Global Unions.

10. Dark Spots and Dangers

However, the unique power of trade unionism in Uruguayan society has also caused negative reactions. The conservative press, representing an important sector of society, accused the trade unions of »being one of this populist state’s three powers«, along with the Government and the FA.

The employers also suspiciously watched the ascent of trade union power and accused the government of playing too much in favour of the trade unions. In 2009 the Employers’ Associations filed a complaint at the International Labour Organisation (ILO) regarding several aspects of the Collective Bargaining Act. This led to a long conflict at the ILO between the Labour Minister, Eduardo Brenta, as the representative of the Uruguayan Government, and the afore-mentioned Associations.

More complicated than the conservative media attacks and the employers’ attempt to change labour legislation is the image problem which trade unionism has in society. In the latest survey conducted by the polling institute Factum on trust in state or social institutions the trade unions rank last but one with 25 percent trustworthiness, somewhere behind the employers (31 %) and the Parliament (26 %), although polled ahead of political parties. Another consulting agency, Cifra, published similar data. According to them, »27 % of the survey respondents approve of the trade unions’ performance, whereas 57 % disapprove«. This does not merely reflect a momentary situation but, as one of the Cifra directors confirms, the trade unions have failed over time to reach a high level of acceptance, but at the same time the population recognises that they do defend workers’ interests.

Their bad image also comes from the fact that the trade unions are generally associated with conflict. On the other hand their growing strength and their strong articulation with both FA and Government are probably fostering the idea, mainly of traditional party voters (almost half of the electorate), that the trade unions exercise too much power.

Both the data on trade unions’ bad image and the perception of their having too much power can somewhat level out the high degree of institutional and societal power they are having in other contexts. Maybe the biggest threat lies in the conflicts that are turning up with the current third FA administration, in the accumulation of signs of exhaustion in a relationship which is itself facing a very difficult economic situation.

11. Some Lessons Learned from the Uruguayan Trade Union Experience

The trade union movement never stopped being a stronghold for the FA administrations. What have been the conditions and essential factors that have built a trade unionism capable of becoming a privileged partner of the FA?

The trade union movement has largely always been clear that its objectives should not be limited to the labour agenda but instead include a much broader economic, political and social agenda, even in order to guarantee its own survival in the long run. This particularity was also recognised by the TUCA General Secretary: »The PIT-CNT experience is probably the best case of a so-

---

31. For example bank, commerce and graphical workers affiliated to Union Network International (UNI); metal, paper and leather workers to IndustriALL; beverage workers to the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Associations (IUF); education workers to the Public Services International (PSI); and journalists to the International Federation of Journalists (IFJ).
cio-political trade unionism I know of. The PIT-CNT is socially utterly legitimated, preserving its autonomy but continuing to influence the political life of the country, even at moments of electoral debate, driving a programmatic vision which exceeds by far the classical labour demands and covers the total sum of issues Uruguayan society is facing.«

Another key to success – and a forceful associational power resource – is Uruguayan trade unionism’s spirit of unity, as expressed in the unified trade union centre recently celebrating its 50th anniversary. This spirit of unity intertwined with other associational power resources that are very characteristic of Uruguayan trade unionism: its high levels of mobilisation and internal cohesion and its resistance capacity. Even at moments of drawdown, with heavily declining numbers of affiliates, those characteristics were maintained.

Perhaps the most remarkable factor was its capacity to forge alliances. Amongst them, without any doubt, the alliance with the FA (aiming to stabilise the welfare state and the democratic structures) is the most visible one and the one which has historically marked Uruguayan trade unionism. However, it should not be forgotten that also alliances with other actors and institutions have been forged. Once again Víctor Báez: »[the Uruguayan trade union experience] moreover is an example of unity in diversity and most certainly a model in terms of alliance policy, both social and political«.

Alliances between political parties and trade unions are nothing new but frequently they have been built along unclearly defined lines, render little results or end badly. In other countries of the region discouraging experiences abound. To name but two: the Chilean case, where the trade union movement, which had played a major part in resistance during the dictatorship, did not manage to place its demands in the government’s agenda during the democratic transition phase, despite its alliance with the Concertación (a centre-left coalition ruling in Chile for more than 20 years). In Argentina, a historical »emotional« articulation between trade unionism and Peronism led most of the unions to support the massive privatisations under the administration of the Peronist Carlos Saúl Menem.40

So what was the key to success of the alliance between FA and PIT-CNT? On the one hand, the knowledge that they mutually needed each other in order to achieve profound political change was vital. On the other hand, the conviction that such an alliance had to be built on programmatic agreements, a clear and transparent agenda and a mutual understanding regarding the respect for each other’s autonomy played a distinct role. But the alliance’s solidity is also based on the fact that it was forged between a unified trade union centre and a political party with high electoral support.

There yet remains the question of the costs the alliance between FA and PIT-CNT is facing. The most important disadvantage to point out is that the PIT-CNT seems like an unconditional part of the government and of the FA in the eyes of the other political parties who represent half of the voters; of the employers’ associations; and of the bulk of communication media. But the balance reveals that the advantages, which the PIT-CNT has gained from the alliance until now, exceed by far the inconveniences.

Alliances with political parties frequently fail or bear enormous risks. Has trade unionism got the chance to advance without such alliances? Does it have alternatives? Uruguayan trade unionism is generally regarded as strong, well organised and with capacity for mobilisation. But even in this case it was the alliance with the FA which salvaged it from a fairly precarious and weak position, and therefore such alliances are all the more important for less developed trade union movements, as is the case in most Latin American countries. The alliances themselves are not problematic: it is the way in which they are cast.

12. Future Scenarios

Various observers from very different standpoints, but obviously coming to a shared conclusion, speak of an »end of cycle« referring to the decline of governments and progressive experiences which have characterised South American policies for more than a decade. Par-

37. Interview with V. Báez, as cited.
38. Interview with V. Báez, as cited.
39. Quite on the contrary the existing relationship limited Chilean trade unionism’s capacity to exert pressure on the Concertación administrations to favour public policies to the benefit of the workers.
40. Mostly the large Peronist trade unions supported the afore-mentioned privatisations, also in order to protect their own interests.
particularly in the larger Latin American countries, which in one way or another are setting the regional agenda, the situation has thoroughly changed and the decreasing commodity prices have added to the crisis.

Up to now, Uruguay doesn’t seem to have been infected by this process, but many trade union leaders are aware of the fact that this favourable situation will not go on forever. Firstly, the region’s economic problems are also affecting Uruguay, a fact which starts to show in the reduction of structural power resources. Simultaneously, the disagreement between Executive Power and trade union movement is increasing. Considering the electoral development, there is even the possibility of the FA losing the next elections. Even though such a change of government could be much less traumatic than in other countries and although it wouldn’t threaten the framework of democratic structures, it is very likely that at least the trade unions’ institutional power resources would be negatively affected. A possible administration of the traditional political parties would try to restrict the »trade union power« which they consider to be excessive. The Wage Councils would probably lose part of the relevance they used to have under the FA administrations. In the past, the exclusion of the Wage Councils has always led to a notable weakening of trade unionism, although it must be said that the FA administration has installed a number of mechanisms contributing to this instrument’s greater independence from the changes of government. Additionally there will be attempts to reduce trade unionism’s institutional power. At the end of the day, the movement is likely to lose the central position it currently has. However, such governments would clash with a trade unionism stronger and more established than ever, drawing on associational and societal power resources of high stability in the long run. Even when in opposition the FA would continue to be a very strong political ally and the alliances with other actors would be maintained. What justifies a rather positive outlook is the fact that throughout their history the Uruguayan trade unions have shown a strong capacity of resistance and survival even at the most difficult moments.


About the authors

Álvaro Padrón is the Friedrich-Ebert-Stiftung Project Director in Uruguay, General Secretary of the Third World Institute (ITEM), and member of the Lüder Seregni Foundation and the Lula Institute. He is a former Research Fellow at the Political Sciences Institute and Masters Professor at the Latin American Centre of Human Economy (Claeh). Padrón is a former trade union leader, member of the PIT-CNT Executive Committee (1986–1992) and Head of Department at the Coordinator of the Southern Cone Trade Unions.

Achim Wachendorfer holds a PhD in Political Sciences at the University of Heidelberg. He has been FES Director in various countries, amongst them Brazil, Uruguay and Argentina, and has carried out various functions in FES trade union work, e.g. global trade union coordination, founding of the Trade Union Project for Latin America and the Caribbean. Numerous publications on Latin American and trade union issues.

Imprint

Friedrich-Ebert-Stiftung | Global Policy and Development
Hiroshimastr. 28 | 10785 Berlin | Germany

Responsible:
Mirko Herberg | International Trade Union Policy

Phone: +49-30-269-35-7458 | Fax: +49-30-269-35-9255

To order publications:
Blanka.Baifer@fes.de

Commercial use of all media published by the Friedrich-Ebert-Stiftung (FES) is not permitted without the written consent of the FES.

The views expressed in this publication are not necessarily those of the Friedrich-Ebert-Stiftung.

About this publication

With Trade Unions in Transformation, the Friedrich-Ebert-Stiftung (FES) aims to direct trade union discourse at successful union work. Using the power resources approach, two dozen case studies analyze how unions were able to secure victories. For us, the Global Trade Union Programme of the FES, and our partners, learning from positive experience opens opportunities to reflect about strategic opportunities for unions in a rapidly changing environment. This project thus aims to analyze and strategize union action, including the needed transformation and mobilization of power resources within and outside the organizations.

www.fes.de/gewerkschaften