Neoliberalism, Labor Market Transformation, and Working-Class Responses

Social and Historical Roots of Accommodation and Protest

by
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The Mexican regime has been mired in a double crisis: a crisis in the model of accumulation and a crisis in the mode of legitimation. The solutions to these crises are rife with tensions and contradictions. Political liberalization clashes with the brutal restructuring project of neoliberalism, and tensions can be seen in the divergence between the halting and limited electoral transformation under way and the processes of rural revolt and military counterinsurgency. As people continue to hope for change through electoral reform, the regime is becoming increasingly militarized. Workers have experienced a 20-year assault on their wages, jobs, and quality of life. The Mexican working class is at a crossroads. The direction it takes will have a decisive influence on the future of Mexico and, in fact, the future of North America.

The potential role of the Mexican working class in this period of crises and transformation has been largely neglected, despite the fact that Mexico is 75 percent urban and even in rural areas 50 percent of the population earn their living through the sale of their labor power. This article will discuss the prospects for the emergence of the working class at center stage in the Mexican drama. The deepening economic and political crises provide the fluid context within which three interrelated processes are shaping the role of the working class: the reconstitution of the working class through the restructuring of Mexican capitalism, the weakening of the old forms of labor control, and the political-ideological-cultural struggle over the shaping of the working-class movement in the new context.

There are competing projects for the transformation of Mexico. From the point of view of the United States, the desired route is a moderate electoral

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transition as a political counterpart to the neoliberal economic transformation. This would replace the discredited authoritarian regime with a neoauthoritarian electoral regime.[1] Repressive responses to protests against the human costs of economic restructuring are producing an insurgency/counterinsurgency dynamic.[2] There is already explosive discontent in the countryside. The Zapatista revolt in Chiapas has renewed hope for resistance and given impetus to continuing rural protests. In addition, there are armed revolts in a number of other states.[3] The response of the Mexican government—with aid from the United States—has been a deepening militarization of its mode of control. Neoliberalism and U.S. imperialism do not readily countenance challenges to their project.

The only counterweight to the authoritarian dynamic of neoliberalism is a democratic movement that combines demands for real political democracy with demands for economic and social justice. A genuinely democratic transition in Mexico has to take place in opposition to rather than in combination with neoliberalism. It must involve an inclusionary economic strategy that renews people's hopes as it expands their opportunities and their power. It is only the working class, in alliance with the discontented rural sectors, that can build such a movement. But this radical democratic transformation clashes with the policies of neoliberalism and the interests of capital and will therefore intensify the rapidly growing counterrevolutionary response.

Can the working class play this kind of role? Capitalist restructuring has not only victimized but radically reconstituted it. In fact, the attack on the working class and urban poor more generally has yet to produce a widespread and sustained movement of resistance and opposition. It has produced many explosions of protest and militancy, but these have remained fragmented and difficult to sustain. Capitalist restructuring has created both new obstacles and new possibilities for workers' struggles. It has produced great human suffering in a situation of transparent inequity. The absolute and relative deprivation, along with the crisis of legitimacy, has produced great discontent. The energy from this discontent could dissipate in the daily struggle to survive or be contained in narrow, defensive struggles of the still employed, but it also has the potential to coalesce in the rebirth of a genuine workers' movement as the core of a national movement for democracy. The outcome is not structurally predetermined; it is a matter of political-cultural-ideological struggle for the hearts and minds of the Mexican working class and the subaltern classes more generally.

The old system of labor control is also in crisis.[4] The officialist unions, formerly the bastion of control over workers, have themselves come under attack. Both the crisis of the working class itself and that of its state-linked disciplinarians, the officialist labor oligarchs, are rooted in the radical neo-

liberal restructuring of the economy and the society, but the two crises are not the same. The crisis of the official labor bureaucracy results from its marginalization within the state power bloc and its ultimate dispensability as a control agent in the neoliberal project. The official labor bureaucrats are maneuvering to maintain their role as agents of the state with regard to the working class. The crisis of the officialist labor institutions presents both an opportunity and a danger for the working class. There is the potential to create genuine rank-and-file–controlled unions, but there is also the danger of the development of new forms of labor control, either neocorporatism[5] or the complete destruction of unionism.

This double crisis of the labor bureaucracy and the working class has produced a several-sided battle for the future of the working-class movement in Mexico. Will the working class be pushed back into the old containers of corporatist unionism (Congreso del Trabajo [Labor Congress—CT] and Confederación de Trabajadores de México [Confederation of Mexican Workers—CTM])[6] or into the recycled containers of neocorporatism (Unión Nacional de Trabajadores [National Union of Workers—UNT])? Or will it find new forms of organization and struggle that involve both genuine democratic unions and participation in the broader movement of the class? The heterogeneity of the working class and of its experiences in the restructuring process create varying potentials for self-organization and combativeness. The rival projects interact with the discontents and initiatives from below to produce a complex and dynamic situation. There is a battle under way over the future of the working class. The outcome of this struggle will determine the future of the workers' movement, and the future of Mexico, in turn, will be significantly shaped by the emergence or nonemergence of the working class as a major actor.

CHANGES IN THE LABOR MARKET

The structure of the labor market was profoundly modified by the crisis of the 1990s, and this modification, in turn, led to changes in both the forms and the fundamental sectors of union resistance. In the first place, large groups of the economically active population were pushed into precarious employment situations, moving from formal employment to chronic job instability, part-time work, and prolonged periods of unemployment among a diversity of jobs. In the second place, there was an increase in the proportion of the working class represented by public-sector workers. The anticyclical character of public spending contributed to the preservation of public-sector employment and thus provided the basis for social cohesion and mobilizing capacity

among these workers. In the third place, the crisis led to a massive relocation of industrial employment from the center-east to the north.

The precarious employment situation of the workforce can be seen in the growth of part-time employment. Part-time workers increased from 4.1 million in 1990 to 9.8 million in 1996, or from 17.4 percent to 28 percent of the economically active population.[7] Almost one in three Mexican workers has a marginal position in the labor force. Other indicators of precariousness derived from statistics on urban employment further confirm these changes. The labor market is being increasingly segmented. The number of workers who earned less than the minimum wage and worked more than 35 hours weekly doubled between 1992 and 1996, rising from 4.7 percent of the employed to 8.2 percent. The minimum wage of 1992 was 40 percent higher in real wages than that of 1996 (Posada García, 1998: 24). Thus, 26 percent of full-time workers received wages below the minimum wage of four years earlier. The number of workers without benefits grew from 44 percent to 49 percent between 1992 and 1996, and those who worked in establishments of fewer than five workers increased from 41 percent to 45 percent in the same period (INEGI, 1998c: 4).

The working class emerging from the crisis of the 1990s finds itself in much more adverse conditions for organizing in a traditional manner. Whereas many workers have returned to employment, they now tend to have part-time jobs, to be employed in small and medium-sized enterprises, and to be working under conditions that ravage their health. The reintegration of the labor force after a period of high open unemployment in 1995 is taking place in seriously deteriorated terms, with intense damage to health, severe malnutrition in broad segments of the population, and premature exhaustion of the life energies of workers.[8]

The second characteristic of the new labor market is the overwhelming weight of the service sector. In 1990 there were 2.4 million employed in community and social services (i.e., education, health, culture, and information). This number had increased to 3.5 million in 1996. There were 1.6 million in public education (300,000 in higher education), 500,000 in the public health system (120,000 doctors, 250,000 paramedics and personnel in auxiliary work, and 130,000 in administrative and maintenance work), and 280,000 in culture, information, and communication. The private health, education, communication, and information services employed 1.1 million. The tremendous growth in these sectors and the inability of the government to carry out a wholesale privatization have been very consequential for workers' resistance. Community and social service workers have emerged as a force with growing capacity for mobilization and as the center of union resistance during the 1990s. Teachers, transportation workers, health workers, and, in

general, workers from the most diverse public sectors have become the center of labor struggles. The fact that their work cannot be relocated has helped preserve their social cohesion and made their resistance possible (INEGI, 1997b: 165).

The third characteristic is the massive geographical restructuring of industry. Mexico experienced an expansion of the industrial proletariat following the crisis of 1995. This expansion involved a massive relocation of industrial employment to 30 manufacturing cities in the northern part of the republic. The number of people working in manufacturing increased from 4.5 million in 1990 to 5.8 million in 1996.[9] The majority worked in cottage industry or for small and medium-sized companies. The northern states' proportion of the manufacturing labor force went from a quarter in the 1980s to almost half in 1997. Two million of the national total of 4 million workers with coverage under the Instituto Mexicano de Seguridad Social (Mexican Institute of Social Security—IMSS) are now in the north. In terms of union resistance, the relocation of manufacturing to the northern states is not innocuous. Labor's ability to organize and achieve gains through trade-union struggle has been undermined by the existence of two de facto labor laws in the country. In the north of the republic, labor relations are characterized by the individualization of hiring, enormous managerial flexibility in defining job responsibilities, the elimination of collective bargaining, and the unilateral determination by the company of working conditions. This is the Mexican version of the antiunion legislation that exists in many U.S. states—"open shop," "right to work," and so on (INEGI, 1998a: 17, 65, Table 3). It is made possible by protection contracts administered by fake, company, or officialist unions. Managerial autocracy is freed from the constraints that the officialist labor bureaucracy or the rank and file could sometimes exert in the old industrial districts. In practice, labor relations in the north are not regulated by Article 123 of the Constitution[10] or by labor law.

These developments have severely weakened the capacity of official unions to negotiate through their old corporatist logic and methods. The end of public-sector involvement in industry, beginning with privatization programs, has drastically diminished the membership of national unions. The idea of a negotiated social wage has been abandoned; the social wage is to be determined by market forces and the coercive power of the large monopolies. This, in large part, explains the marked decline in the number of strikes over the course of the past 15 years. Whereas in 1982 there were 947 strikes, in 1997 there were only 34. Massive firings, the pruning of collective agreements, the relocation of industry, and the refurbishing of structures of control have impeded the autonomous mobilization of the industrial labor force.

LABOR MARKET AND UNION STRUCTURE IN MEXICO IN THE 1990s

The new labor market emerging from the economic depression of the 1990s has changed the face of the organized labor movement in Mexico. The most significant alterations have been the shrinking of national unions; a quantitative and qualitative strengthening of public-sector unions in the spheres of education, health, and urban services; and a decline in the unionization of workers involved in the distribution of private-sector products and services, in particular those sectors dealing in finance.

The crisis experienced by the national unions is a direct result of privatizations and restructuring. The most dramatic case is that of the national railroads. There were 95,000 union members working for the national railroads in 1990; by 1997 there were only 35,000. During this same span of time the membership of the Oil Workers Union dropped from 180,000 to 100,000, that of the Sindicato Único de Trabajadores Electricistas de la República Mexicana (Electrical Workers' Union of the Mexican Republic—SUTERM) (the union headed by Leonardo Rodríguez Alcaine,[11] who is now the head of the CTM) from 80,000 to 45,000, and that of the miners' and metalworkers' union from 183,000 to 98,000.[12] The large national industrial unions fell from 20 percent of the unionized labor force at the beginning of the 1980s to less than 7 percent in the last years of the century. While these national unions maintain a relatively high rate of unionization, the weight of employment in traditional sectors of industry in relation to the labor force and the economy as a whole has substantially diminished (INEGI, 1997c; Poder Ejecutivo Federal, 1997: 50).

In contrast, public-sector unions in the areas of education, health, and urban services have strengthened their position and increased their membership because of the increasing demand for services by a population that doubled in size between 1970 and 1998, growing from 48 to 96 million (INEGI, 1997c; Poder Ejecutivo Federal, 1997: 50). Teachers' unions—from basic levels of education to university levels—are the largest unions in the country, with 2 million members. Together with the 500,000 members from the unions of the IMSS, the Health Secretariat, and the Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado (Institute of Security and Social Services of the Workers of the State—ISSSTE), they constitute the new, dynamic axes of the union movement in the country. The unions of workers in urban services, potable water, conservation, and maintenance of the large cities of the nation also maintain their numerical strength. The most powerful of the lot is the Sindicato Único de Trabajadores del Gobierno del Distrito Federal (Federal District Government Workers' Union—SUTGDF).

The locationally rooted character of urban services has prevented the use of relocation strategies to dislodge the territorial power base of public-sector unions, and urbanization and the increase in the demand for public services have caused employment to continue to grow.[13] The numerical strength of public-sector service unions will tend to increase continually in response to population growth as long as the services are not privatized or severely reduced. The state has sought to counter the potential strength of public-sector unions through the administrative decentralization of responsibility for labor relations to state governments. This strategy aims to deflect pressures away from the apex of federal power and to fragment bargaining, but, to date, it has been unable to weaken the public-sector unions.

While the number of professors, teachers, doctors, nurses, technicians, pharmacists, and operators of sophisticated technology and communications increased significantly between 1988 and 1997, their real salaries declined dramatically. Official statistics estimate a decline of 35 percent, but this number includes both base personnel and upper administrative personnel. If we look only at base workers in the public sector, the decline in real salary was over 50 percent (INEGI, 1997a). The share of salaries from the public sector in the gross national product (GNP) decreased from 9.1 percent in 1982 to 3.5 percent in 1997. Part of this reduction can be attributed to a decrease in the weight of two sets of public employees in the total workforce: federal government employees and employees of decentralized public-sector entities. But, in addition, many employees of government industries were fired as a consequence of the privatization of thousands of publicly owned industries after 1982. Nevertheless, employment in the public sector increased from 3.6 million in 1982 to 4.4 million in 1997. The reduction in the share of public-sector salaries is a result of the reduction of real salaries of workers employed by the state-run public services and not a decrease in their numbers (Banco de México, 1998, section 1, Tables I-53 to I-58).

The combination of increased employment and reduced salaries is an explosive concoction that explains the relative militancy of unionized workers in the service sector. Mobilizations, strikes, and protests of the service-sector labor force are rarely registered in official statistics concerning labor conflicts, and this statistical omission fosters the myths of labor peace and the complete defeat of labor.[14]

Whereas public-sector unions have been growing, the opposite has been happening in the privately run service sectors. Also, the privatization of entire economic sectors has involved the forced reclassification of hundreds of thousands of employees from base workers with the formal right to organize unions to upper administrative personnel without that right. The increasing use of third-party subcontracting has also been a tactic for avoiding unions. In

other cases, the vulnerability of workers kept on probationary or temporary status makes union organization very difficult. This is the case in the hundreds of franchises granted to foreign companies that have cornered a substantial sector of the market. Thus, the rate of unionization in the licensed private services sector is 23 percent, which is below the national average and contrasts with an 87 percent rate of unionization of workers in state-run public services.

Unionization rates demonstrate the contradictions and challenges faced by the Mexican labor movement: the decline of the power of national unions, reduced by privatizations and the flexibilization of collective contracts, the increase in the number of members in the state-run public services and their capacity to resist privatization, and the existence of an enormous body of nonunionized labor—three out of every four workers or, if we take into account protection contracts, five out of every six.

Analyzing the Mexican labor market, the Organization for Economic Cooperation and Development (OECD) proudly stresses the triumph of market forces over the capacity of unions to influence the decline of real salaries. As an indicator, the OECD relies on the wage difference between unionized and nonunionized labor. At the beginning of the 1980s, unionized labor's wages were 40 percent higher than those of nonunionized labor. By 1992 this gap had for all practical purposes been erased. Salaries of nonunionized labor rose to 97 percent of those of unionized labor (OECD, 1997: 89). After 70 years of corporatism and 15 years of neoliberal economic policies, the real power of unions to negotiate is at its lowest point ever. The result has been a leveling down of union wages, not a leveling up of nonunion wages. Both have fallen, but union wages have fallen even more sharply.

RESTRUCTURING, RECONSTITUTION, RESISTANCE

The impact of restructuring on the working class has not been uniform. The preexisting heterogeneity of the working class and the different experiences of restructuring condition their capacity for resistance.[15] There have been great job losses in the old industrial heartlands of the center-east. At the same time, there has been a great growth of employment in the northern maquiladora zones. Thus, the old working class has been significantly disaggregated, and the new workers of the north have not yet developed the permanence of location and employment to mount more than local challenges. This has significantly altered—for the moment—the capacity of the industrial working class to resist. The main resistance to the attack on the working class has come from public-sector workers, whose numbers have

continued to grow throughout the economic crisis. The big question is whether the pressures building up from below will be harnessed by the rival officialist alternatives or create their own expression.

The workers in the maquiladoras face conditions of superexploitation, but in situations and locations to which they are often newcomers. Their links to the broader community are newer and more fragile. The heroic struggles of maquiladora workers to organize unions plant by plant can only win temporary gains. The usual union-busting tools available to government and capital—the readiness of the government to use repression, the availability of a desperate and constantly growing reserve army of labor, and the ability of capital to relocate—are even more powerful in the maquiladora context.[16] Trade-union organization has to be anchored in a broader workers' movement to have a chance of survival. The long-term efficacy of unionism in the maquiladora areas depends on changing the character of the government and economic policy. Trade unionism can be the starting point for building such a movement and can give it a durable core, but trade unionism cannot survive without such a movement.

These maquiladora workers are not empty vessels concerned only with their wages and working conditions. They bring with them the traditions and the contemporary agonies of their home communities, to which they are still connected by family ties, economic interest, social concern, and identity. The struggles of maquiladora workers are taking place in a society and a regime in deep and protracted crisis. Their responses to trade unionism and other social and political movements will be influenced by all of these concerns.

The workers in the deindustrialized areas also have serious vulnerabilities with regard to resistance from an exclusively trade-union perspective. Simple trade unionism cannot stop plant shutdowns or relocations. The large number of workers who have been pushed out of the working class into more precarious work situations or the informal sector are still part of the laboring population. They have a sense of moral economy rooted in their previous work history and in the traditions of the Mexican Revolution. They aspire to regular, stable work in a situation that increasingly precludes it. These workers are still rooted in their communities, communities that have been economically devastated. Their potential for action has to be seen in the axes between the demoralization of unemployment, informal-sector activities, sharp deterioration of living standards, atomization of the work situation (from collective place of labor to individualized labor for those in the informal sector), on the one hand, and desperation for at least a restoration and at best an improvement in employment, housing, and social services, all of which are under attack by the government and corporations. They have the potential to be part of a broad workers' movement that includes the employed, the occasionally

employed, the unemployed, and the informal sector. Some are organized in various forms of popular associations—neighborhood movements, associations of street vendors, and other political and social movements. Workers organized in unions would be the core of such a broad workers' movement because of their greater potential for durable organization and combativity. But a labor movement that focuses only on union members and insulates itself from the laboring masses has little positive meaning for them—and little possibility of success surrounded by this local and national reserve army of labor and faced with the ability of companies to relocate.

There is a significant capacity for resistance among public-sector workers. The public character of their employment means that their trade-union demands can be resolved only by political authority. In fact, these demands require a break with the IMF-promoted austerity, and they are unavoidably social in that they involve the preservation, improvement, or deterioration of public services. The deterioration of wages and working conditions in the public sector has gone hand in hand with the deterioration of basic public services. Most public-sector employees belong to official unions that seek to contain the discontent of the rank and file, and most of these unions have important dissident currents, some of which are affiliated with the Coordinadora Intersindical Primero de Mayo (May First Interunion Coordinating Committee—CIPM).

We have argued that public-sector militancy derives from the volatile combination of the continued expansion of employment and a sharp cut in real wages and severe deterioration of working conditions. Its importance is the greater today because of the relative weakness of resistance in the private sector, the result, as we have seen, of the relocation and restructuring of Mexican industry. Public-sector militancy represents a model of resistance that is sometimes capable of forging important links with the broader sectors of the popular classes on the basis of the shared concern for retaining public services.

COMPETING STRATEGIES

The statist monopoly of official unionism is in the process of disintegration. The battle to shape the Mexican labor movement of the future involves three major currents—the CTM-CT, the UNT, and the CIPM.[17] Addressing the variety and complexity of the ferment at the local and regional levels in detail is beyond the scope of this article. Here we simply want to underline the existence of many Mexicos, each with its particular history and unique characteristics. The absence of a discussion of the local and regional processes of

this ongoing realignment in the union movement should not be taken to imply national homogeneity.[18]

The CTM-CT is groping for a new basis for influence and power. The power of the labor officialdom of the CTM-CT over its rank and file was based largely on its links to the regime. The labor regulations of the state sustained its power while at the same time serving to limit its aspirations within the power bloc. Collective bargaining was always a political process in which the labor bureaucracy combined controlled mobilizations with regime support to extract gains for itself and sometimes for the rank and file. The traditional bases of its power have been severely weakened, and its role in the power bloc has been greatly diminished. Changes in the labor market and the strategy of the regime operate against old-style maneuvering and simple trade unionism. These labor officialists are pursuing a rearguard action against the dismantling of their own power. They have no important role in the neoliberal project and, in fact, are useful to the regime only for their divide-and-conquer role in the restructuring transition. Although they continue to be actors in party struggles over the future of the regime and the government party, they seem unlikely to be major actors in Mexican politics and industrial relations in the future.

The strategy of the "dissident" section of official labor, most of which is now organized in the UNT,[19] calls for a modernization of labor relations in a manner congruent with neoliberalism. These dissident officialists in fact supported the Salinista modernization.[20] They want to remove the state from collective bargaining, a goal shared by big capital, the IMF, and the World Bank and one that has great appeal in the context of the manipulative and repressive role of the Mexican state over workers' organizations historically. But the substitution of market-driven, depoliticized collective bargaining between a labor force experiencing massive unemployment and underemployment, on the one hand, and powerful corporations, on the other hand, can only increase the power of capital over labor. Unmediated collaboration between modernizing neo-*charros* and capital would replace state-imposed collusion.[21] Workers would remain controlled subjects, but the neo-charros would have more autonomy from direct state intervention than did the old charros. The integration of the neo-charros into the ruling structure would continue through their continuing membership in the ruling party and government office. While they call for the state to withdraw from direct management of industrial relations, they do not themselves propose to withdraw from being leading members of the state party. Nor do they call for any reduction in the military buildup of the state. Its coercive power would remain intact and, in fact, strengthened for the tasks of counterinsurgency and the maintenance of the boundaries of the project of neoliberal modernization.

The deliberate nonpolitical stance of the UNT disguises the political maneuverings of its key leaders in the struggle within the ruling circles. It also obstructs the necessary political struggle of workers for the juridical and institutional changes necessary to protect their rights. The working class requires a political perspective that facilitates its development as the core element in a movement of the broad laboring masses in the city and the countryside. Narrow, nonpolitical trade unionism divides the working-class movement between the organized and the unorganized and lends credence to the regime's argument that the democratic transition is ensured. It thus contributes to the ideological and political disarming of the popular movement at the same time as the state is increasingly arming itself with the means of coercive repression.

The split in the official labor movement has attracted some of the small, independent unions and federations to the UNT. These reformers see it as a vehicle for the development of genuine independent unions. The disintegration of official labor presents opportunities for rank-and-file struggles as the old mechanisms of charro control are weakened. But the formation of a new federation by dissident charros presents the danger that these democratic energies will be trapped in structures that continue to be controlled in an authoritarian manner. Although it contains some progressive and democratic elements, the UNT is dominated by modernizing charros such as Francisco Hernández Juárez (of the telephone workers), who continue to exercise authoritarian control of large unions and their resources and have allies in the ruling circles.

Both the CTM-CT and the UNT are institutional formations controlled by officialist labor bureaucracies that are seeking to adapt to a system that is disintegrating and being restructured. Each offers its own form of cooperation to contain working-class militancy and independence. Neither is committed to democracy in unions or in Mexican society. The CTM-CT was a key structural part of the dictatorial reality and would like to reinstate the old system. It opposes both union democracy and a democratic transition in Mexico. The main leaders of the UNT remain members of the PRI and linked to the Salinista faction, which sees economic restructuring as primary. The democratic transition is seen either as a threat to the fundamental task of economic restructuring or as secondary. Thus, the UNT seeks to develop business unionism in the midst of massive pauperization and an escalating dynamic of insurgency/counterinsurgency. Neither the CTM-CT nor the UNT is a vehicle for the struggle for union or political democracy.

The CIPM was born as an ad hoc formation to organize the May Day march in 1995 when the official trade-union movement abandoned May Day for fear of losing control over the rank and file. It originated, then, as a

coordinating body for the mobilization of dissident union currents, democratic union locals and unions, community movements, and various left organizations. It has continued to organize May Day marches while trying to carve out a more definitive identity as an ongoing movement of the working class. While there is significant political heterogeneity in the CIPM, there is a shared perspective that workers' rights have to be won from the bottom up and that trade-union rights cannot be won and consolidated without a democratic transformation. There is also a broad consensus that the workers' movement needs to be inclusive and extend to sectors of the laboring classes without unions. Thus, the CIPM strives for rank-and-file unity within the class based on a class-struggle/democratic-revolution perspective. It is also a committed to an alliance with the growing rural insurgency. The CIPM and the Ejército Zapatista de Liberación Nacional (Zapatista Army of National Liberation—EZLN) have expressed their solidarity of struggle, and the Frente Zapatista de Liberación Nacional (Zapatista Front of National Liberation—FZLN), the national organization of civil Zapatismo, is a member of the CIPM.

Rank-and-file opposition caucuses in CTM-CT and UNT unions are an important part of the CIPM. The CIPM advocates fighting for democratic control of existing unions, not the creation of dual unions. It sees the tasks of the workers' movement as threefold: the immediate struggle against the political economy of pauperization and privatization, the struggle of the rank and file to gain democratic control of their unions, and the struggle, in alliance with the Zapatistas and the rural insurgency more generally, for a democratic transformation of Mexico.

The CIPM's relationship to the UNT was hotly debated at its first national convention in October 1997. After several days of discussion among the 400 voting and fraternal delegates (from 120 organizations nationwide), 85 percent of the delegates voted against joining the UNT. This was seen both as necessary to preserve their independent organizational identity and as a strong statement that the UNT project was a neo-charrista rather than a workers' project.[22] Another key disagreement was over inclusiveness. The UNT includes only unions; the CIPM includes, in addition, democratic currents within charro unions and other types of working-class organization, such as neighborhood associations. Critics say that this inclusiveness distorts its character as a trade-union central, but the CIPM's goal is to be more than a trade-union central. The goal of the CIPM is to promote and help coordinate the rank-and-file insurgency of the working class. A central component of its perspective is the combining of working-class struggle in its various forms with the democratic insurgency of civil society.

Electoral activity and specifically support for the Partido de la Revolución Democrática (Party of the Democratic Revolution—PRD) have been important issues within the CIPM. There is consensus that it must pursue its own course and not subordinate trade-union and class struggle to electoral activity. However, within that consensus there are important differences with regard to whether an electoral transition is possible, how to combine electoral and extraparliamentary activity, and the character and trajectory of the PRD (with growing concern over its efforts to present itself as a moderate party to calm U.S. and Mexican capital). The election of a PRD government in Mexico City and the renewed hopes of the PRD for the presidential elections of 2000 will increase the tension between PRD attempts to calm capital and popular discontent in the face of pauperization. This electoral dynamic is taking place in the context of an intensified war against the rural population. Militarization is also taking place in the cities under the pretext of fighting crime; the army has begun to patrol some major working-class areas of Mexico City (such as Azcapatzalco) as part of the growing counterinsurgency. While many members of the CIPM are enthusiastic, albeit often critical, supporters of the PRD, the CIPM strongly believes that a transition to electoral democracy is no more ensured than a thinly veiled coup and, in any case, guarantees neither democracy nor a new social and economic direction. It is struggling for democracy and a new political economy for Mexico.

CONCLUSION

The contention between the CTM-CT, the UNT, and the CIPM is a struggle over alternative definitions of the situation, alternative paths of action, alternative destinations. The outcome of this fight is crucial for the future of the working class and of Mexico. The fundamental question is the ability of the working class to constitute itself as a historical actor. The CTM-CT and the UNT both view the working class as cannon fodder for elite maneuvers—as resources to be mobilized rather than as actors who can control their own institutions and shape their own futures through collective struggle. They propose strategies that would insulate workers from the broader struggles of their class and of Mexican society. The triumph of either as the hegemonic force among organized workers would be a defeat for the working class and for the struggle for social justice and democratic transformation. The triumph of the CIPM is not the issue; the issue is which general perspective comes to prevail within the working class. The CIPM and various regional and local movements see class struggle from below and the achievement of democracy as indissolubly linked. The forms in which the working

class organizes itself in a period of crisis and rapid development will vary, but the empowering concept of taking its lives and history into its own hands is transformative. It makes possible the development of a vast popular movement, an alliance between the laboring population of the cities and that of the countryside. Only such a movement can bring justice and democracy to Mexico.

POSTSCRIPT

Much has changed and little has changed since this article was written (in late 1998). The electoral victory of Vicente Fox of the PAN represents both change and continuity. Through the electoral process, the PRI lost control of the presidency for the first time since its founding. However, this transformation was well under way before the elections. The real political power of the recent regimes has been the alliance of the neoliberal fraction of the PRI with the PAN and the increasingly direct role of capital in shaping government policy. Sections of the Mexican capitalist class have long been fighting for more direct control of the state. While their battles have coincided with those of democratic civil society in opposing the old system of PRI statism, their goals are quite different: rule by big capital versus rule by civil society. The appointments to the key posts in the new cabinet show clearly which conception of change is predominant. While civil society has been acknowledged in certain posts, the key economic positions have gone to members of the business class. The ongoing neoliberal transformation of Mexico will continue unabated in the short run. In the absence of organized insurgency, the triumph of unfettered capital over civil society and the state will be consolidated.

The Zapatistas planned a dramatic, peaceful march of the EZLN from the jungle of Chiapas to Mexico City for February and March 2001. It is both an attempt to pressure the government to include indigenous rights in the Constitution and to develop a new social bloc of the oppressed of Mexico on a national scale. This historical confluence—of indigenous peoples, campesinos, women, unemployed, workers, and youth—has the potential of developing into a new civil insurgency that would challenge the neoliberal project. The Zapatistas possess the political and moral leadership to ignite such a movement. Their revolt has revived hope among broad strata of the population and has led to new organizations and mobilizations in the countryside and among indigenous peoples. But rural revolt, by itself, is insufficient in an industrialized, urban country. The working-class and popular elements of the cities must become part of the revolt for it to succeed. Working-class mobilization would involve the development of rank-and-file democratic

insurgency within existing unions,[23] a major organizing drive in the northern maquiladora regions, and an alliance with the indigenous and rural revolts. The Mexican working class and Mexican society are at a crucial crossroads.

NOTES

1. The conception of these electoral regimes as a form of neoauthoritarian rule is developed in Petras and Vieux (1994), Petras (1997), and Zirker (1998). The peculiarity of the Mexican transition, compared with others in Latin America, is that the starting point is Mexico's unique, civilian one-party/presidentialist regime and the movement toward a multiparty electoral regime is taking place simultaneously with growing military influence in the context of neoliberal restructuring. The intractability of the economic crisis is underlined by the depth of the banking crisis and the gigantic bailout of the banks.

2. This dynamic appears to have escalated with the appearance of an organized dissident group in the Mexican armed forces, the Comando Patriótico de Concientización del Pueblo (Patriotic Command to Raise the People's Consciousness—CPCP) (see *La Jornada*, December 19-26, 1998).

3. The national press reported action by armed insurgent groups in rural zones in eight states in 1998, most importantly in Oaxaca, Guerrero, Hidalgo, the state of Mexico, and, of course, Chiapas. Major confrontations took place in the towns of El Charco and Atoyac in the state of Guerrero and Los Loxichas in Oaxaca.

4. Generally designated as corporatist, this system has been based on five interrelated pillars: (1) labor law that gives the state control over union recognition and the right to strike, (2) integration of the officially recognized unions into the ruling party and state apparatus, (3) authoritarian control over the unions by their leadership on the basis of state laws and links as well as the usual control mechanisms of an organizational oligarchy, (4) repression by the state and by thugs commanded by the charro officials, and (5) for some periods, a social pact that allowed gains for limited sectors of the working class, especially in the realm of the social wage (most notably in the period of import-substitution industrialization, the so-called Mexican miracle). Official unions have been part of the ruling party, and union officials have held union, party, and government positions simultaneously or sequentially. Official unions have been state instruments in the working class and their leaders power brokers. Mobilization by these unions—or, more often than not, the threat of mobilization—has had little to do with union or class struggle. Rather, it has been either a card to play in intraregime struggles or a way of reducing rank-and-file pressure for real action. This system of labor control emerged as a key part of the development of Mexico's unique authoritarian regime. It can only be understood in the context of the Mexican Revolution, which produced a regime that combined revolutionary rhetoric and a strong "union" presence that disguised the real character of most "unions" and of the regime. This did not come about easily and without major challenges and, at times, concessions to urban workers and other sectors of the population. In fact, recurrent popular insurgencies and divisions among elites are responsible for the regime's unstable, semi-Bonapartist character.

5. The term "neocorporatism" is widely used by critics, but in fact this current is fundamentally neoliberal, accepting the notion of a collaborative relationship with capital in the interests of modernization, flexibility, and so on. This is a form of authoritarian business unionism that seeks to maintain oligarchic rule in unions and society but with more of a velvet glove.

6. The CTM is the major officialist labor federation and is the most important component of the CT, an organization of various proregime labor federations.

7. The 1990 figures are based on the census, which defined part-time workers as those who worked less than 33 hours weekly. The 1996 figures are drawn from the National Employment Survey of 1996, which defined part-time work as less than 34 hours weekly. This may seem almost like full-time to North Americans, but in Mexico it signifies highly consequential subemployment in deteriorated working conditions. The following points will clarify this characterization: (1) Mexican federal labor law considers the work week to be 48 hours. Wages in Mexico are per day, not hourly. Someone who worked 5 hours daily 6 days a week would be considered half-time and be paid as such. Therefore, the reduction in pay for part-time workers compared with full-time workers is proportionately much greater than the reduction in working hours. (2) Of the total of part-time workers, 80 percent work fewer than 25 hours weekly. (3) A large percentage of part-time workers do not receive any social benefits.

8. The main private bank in Mexico, Banamex, has pointed to the continuous increase in poverty throughout the 1990s. It estimates that the number of Mexicans living in poverty has grown to 47 million—15 million in rural areas and 32 million in cities (Banamex-Accival, 1998b: 442). According to a study by the Instituto Nacional de Estadísticas, Geografía e Informática, 64 percent of families, approximately 70 million people, were below the poverty line in 1996. The number below the poverty line was 23 million higher than in 1992 (INEGI, 1998b: 77-79).

9. Only a small percentage of industrial employment is registered by the Instituto Mexicano de Seguridad Social. Nevertheless, census data show a growth in the industrial labor force. In 1989 the total of insured workers in the manufacturing sector numbered 3.1 million. By 1997 it had almost reached 4 million.

10. Article 123 is the famous labor section of the Constitution adopted in 1917. It had many progressive aspects and provided the constitutional basis for state intervention to defend the rights of workers. It also, however, provided the basis for state control over unions. The labor movement has struggled to gain a progressive interpretation and effective implementation of Article 123. There is now discussion about changing it to make it congruent with neoliberalism.

11. Rodríguez Alcaine has been the head of the SUTERM since 1975. He was born in Texcoco on May 1, 1919. Along with that of Fidel Velázquez, who died at age 96 on June 21, 1997, after having been the leader of the CTM for 61 years, Rodríguez Alcaine's career shows the longevity of charro domination of Mexican unions. He is tied to the powerful Atlacomulco group, a political and economic power group headed by the professor Carlos Hank González in the industrialized state of Mexico. The Atlacomulco group made him a PRI senator from 1973 to 1976. He is a typical example of a leading union official tied to the business interests of a political cacique. He was unanimously elected head of the CTM in February 1998.

12. The Sugar Workers' Union suffered a reduction in the number of unionized workers from 50,000 to 30,000 between 1988 and 1997, and the membership of the Petrochemical Workers' Union dropped over 50 percent, from 22,000 to 10,000.

13. This is also the case for the union at the Compañia de Luz y Fuerza del Centro. The Sindicato de Telefonistas de la República Mexicana finds itself in a similar situation but is threatened with displacement by the new and emerging telephone companies. In this latter case, the union is not representative of all labor in the industry; rather, it represents members within a private company (Poder Ejecutivo Federal, 1997: Sección de empleo y remuneraciones).

14. The protests of government employees are not included in the data gathered by the Department of Labor or by the federal or local Juntas of Conciliation and Arbitration, as they are covered under Section B of the Labor Code, Article 123 of the Constitution, as amended in 1960. Section B imposes great restrictions on their right to strike and organize unions.

15. The relative concentration of dissident unionism, both UNT and Coordinadora Intersindical Primero de Mayo (May First Interunion Coordinating Committee—CIPM), in public services and of officialist and company unionism in the private sector is described in Banamex-Accival (1998a: 612-615).

16. Either through plant relocation or simply by shifting from one contractor to another.

17. The new correlation of forces in Mexican unionism is discussed in the May 1998 report of Banamex-Accival (1998a: 197), where it is pointed out that the dispute between the CTM-CT, the UNT, and the CIPM indicates the need to revise the old corporatist model.

18. One noteworthy trend at the subnational level is the increasing significance of multisectorial and interunion forms of organization. A good example of this form of organization is the Frente Amplio de Organizaciones Sociales de Sonora (Broad Front of Social Organizations of Sonora—FAOS). FAOS is composed of a variety of organizations that are formally affiliated with one or another of the three national organizations (CT/CTM, UNT, CIPM). However, within Sonora they have been able to achieve a very significant reconstitution from below. FAOS has an advanced and democratic platform and has developed militant forms of resistance against privatizations such as the occupations of railway installations in Sonora in February 1998. Its origins and composition make it most akin to the CIPM, but it has no organic link to it. Another interesting case is the Coordinadora Intersindical Democrática Jaliscience (Interunion Coordinating Committee of Jalisco—CIDJ), which is very similar to FAOS but does have an organic link to the CIPM. The struggles in particular states have their own characteristics and dynamics: the long and militant struggles of the dismissed workers of PEMEX (the national oil company) in Veracruz and Tabasco and those of the workers in maquiladoras, especially in Tijuana, Ciudad Juárez, and Ciudad Acuña, where in many cases there is fraternal support and collaboration from unions in the United States and Canada. One case of this cross-national solidarity is the Comité Fronterizo de Obreros de Coahuila y Tamaulipas (Border Committee of Workers of Coahuila and Tamaulipas), linked with forces of combative unionism in the Southwestern United States. Another is the diverse experiences of struggle and strikes in the maquila areas, where the United Electrical Workers and the Teamsters have supported efforts to build effective unionism.

19. The dissident official unions first organized themselves as the Foro del Sindicalismo ante la Nación. The UNT developed out of the Foro. However, there was a split over the formation of a new, alternative labor federation. The teachers' union, the Sindicato Nacional de Trabajadores de la Educación (National Union of Educational Workers—SNTE), also led by government supporters, opposed the formation of a new federation. The SNTE had been a founding member of the Foro but opposed splitting official unionism. The Sindicato Mexicano de Electricistas, the union of electric power workers (Mexican Union of Electrical Workers—SME), which has a long democratic tradition and had been also been a member of the Foro, refused to join the UNT. The SME viewed the UNT as a maneuver in the struggles among charros. Some small independent and democratic unions and federations (e.g., Frente Auténtico del Trabajo [the Authentic Labor Front—FAT]) have been part of the Foro and the UNT and believe that the latter provides new possibilities for genuine unionism.

20. In an interview in late December 1998, Hernández Juarez reiterated his positive stance toward Salinas and his neoliberal project (see Martínez, 1998).

21. The collaborative stance of the key UNT leaders in the neoliberal modernizing project of capital is exemplified in the accord signed on February 11, 1998, between the Federación de Sindicatos de Empresas de Bienes y Servicios (Federation of Goods and Services Unions—FESEBES) and the Confederación Patronal de la República Mexicana (Mexican Employers' Confederation—COPARMEX). FESEBES is an alliance of service-sector unions (telecommunications, airline, power generation, film and television, and others) that was created

in 1990 with the backing of President Carlos Salinas. Its key leaders are also the key leaders of the UNT. COPARMEX is an antilabor employers' association. The FESEBES/UNT leaders hailed the signing of the agreement as a historic step forward in that business and labor were collaborating without government tutelage.

22. The key arguments against joining the UNT were that it would grant legitimacy to its charro leaders, whose project was the neoliberal "modernization" of labor relations, that this project was an attempt to insulate trade-union struggles from the struggles of the broad popular masses for social justice and democratic transformation, and, finally, that these leaders were, in fact, linked to the Salinas faction of the regime and that the CTM-CT–versus–UNT struggle was part of the battle taking place within the regime. The CIPM supported tactical alliances with the UNT and other groups but opposed organizational unity.

23. The new president, Vicente Fox, supported the traditional authoritarian union officials in the blatantly fraudulent elections of national leadership in SUTERM and SNTE in January 2001.

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