

**Resisting Neoliberal Reform:
Political Opportunities and Cultural Framing
In the Uruguayan Labor Movement**

Kathryn Grover
March 7, 2005

On October 31st, 2004, a third party candidate won the Uruguayan presidency for the first time in the nation's history. When Tabaré Vázquez takes office in March of 2005, his coalition party of communist, socialist and Christian democratic forces will join the ranks of left-leaning governments currently in place in Brazil Argentina, Chile, and Venezuela.

The ascendance of El Frente Amplio (The Broad Front) to the highest political office in Uruguay just fifteen years after first being allowed to participate in elections stirred wide-spread enthusiasm in Montevideo, as supporters of the party marched by the thousands down flag-filled streets and parades of drummers sounded late into the night. The announcement of victory stirred speculation among academics and politicians alike. Moreover, in the Latin American tradition of trade unionism, another constituency, the Uruguayan labor movement, is currently preparing to take full advantage of an election which is seen as an indisputable success for workers. In the area of labor relations the party promises a return of the Wage Councils—a tripartite institution for collective bargaining formed in 1943. The Councils operated both before and after the nation's eleven year military dictatorship (1973-1984) but were later dismantled by President Luis Alberto Lacalle, a strong proponent of neo-liberal adjustment, who supported state retreat from labor negotiation. Nearly two decades during which time globalization and growth-based structural adjustment plans as well as the removal of collective negotiation have severely weakened the Uruguayan labor movement. Now, people are questioning the potential for change.

While other progressive governments in the region have garnered criticism for failing to make adequate reforms in favor of labor, a review of Uruguay, a nation of 3.5 million people with a history of genuine social democracy (visible through chart-topping literacy rates and sweeping welfare programs) raises questions as to the degree to which certain reforms ever really

infiltrated industrial relations. Upon a closer look, it becomes apparent that reforms aimed at ensuring market-driven economics by regulating both the right to strike and internal union activity, as well as imposing caps on wage increases, never really played out. The following is an attempt to explain why.

In this paper, I present the case of the Uruguayan labor movement through a theoretical framework that draws from Political Opportunity, Resource Mobilization, and Cultural approaches in social movement theory. I argue that in the late 1980's and early nineties, the movement resisted certain aspects of neo-liberal reform due to a combination of political identity, the structure of union organization, an emphasis on worker's rights, and access to representation through organizations and elite allies. In fact, the only successful reform of industrial relations is seen in the retreat of the state from collective bargaining. Therefore, when the workers eventually began to loose ground in the mid to late 1990's, the result was the weakening rather than restructuring of the movement. Such resistance not only points to Uruguay as a unique case in Latin America, but it also raises questions as to the potential reinvigoration of the labor movement with the arrival of the new government and the return of the Wage Councils in 2005.

Literature Review

When referring to the Uruguayan labor movement in this paper, I use the definition of "social movement" given by Sidney Tarrow in the introduction of his book, *Power in Movement: Social Movements and Contentious Politics*. The history of human civilization, observes Tarrow, is a history of social struggle and collective aggravation. "Contentious politics" he argues, "occurs when ordinary people, often in leagues with more influential citizens, join forces in confrontations with elites, authorities, and opponents" (Tarrow, 1998: 2). It can emerge from incentives that are ideological, material, partisan or group based. However, for such action to be

termed a social movement, it must represent, through social solidarity, collective action towards a common purpose. Moreover, it must be sustained over time. Otherwise, the action is nothing more than a singular instance, however profound, that will soon evaporate and leave opponents with little incentive to continue complying with its demands.

One of the first theorists to discuss contentious politics was Karl Marx, who wrote in great depth about the rise of the tormented proletariat against an antagonistic bourgeoisie. The political philosophy behind class-based collective action, as articulated by Marx, has undoubtedly provided both a framework and inspiration to numerous workers' movements around the world, and notably in Latin America. However, as Tarrow points out, Marx pays little attention to the resources necessary to mobilize collective action against a powerful opponent. Moreover, Marx' theory of "false consciousness" fails to account for the fundamental changes and divisions in class structure on the wake of capitalist democracy (Tarrow, 1998).

Reacting to Marx, Lenin re-stimulates the collective action issue by suggesting the need for an elite group, or an "intellectual vanguard" to organize the narrow and selfish interests of workers. Yet, as Tarrow points out, Lenin formulated his theory based on the assumption that Marx's concept of class consciousness was not self motivating and required outside stimulation. In doing so, he denied the cultural context.

In response, Tarrow presents Antonio Gramsci, who contributed to the work of Lenin and Marx the notion of a working-class culture in which labor makes connections with other social forces in order to define and build specific party goals and identities. Gramsci's conclusions are based mainly on theoretical models as opposed to empirical examples. Overall, these three primary theorists, along with the concept of collective action, remained relatively unchallenged for quite some time.

However, beginning in the 1960's, when a wide range of political protests shook societal and constitutional agendas all around the world, modern political scientists began to re-examine the ideas of these early social theorists. The result was the development of three major categories in social movement theory: resource mobilization (McCarthy and Zald, 1977), political opportunity structure (Tarrow, 1998; McAdam, 1996; Kitschelt, 1986), and cultural framing/collective identity (Snow and Benford, 1997; Tarrow; McAdam and Friedman, 1998). Thus, I will discuss the relative strengths and weaknesses on the path towards developing an applicable theory for explaining the success of Uruguayan labor.

The first articulated theory of collective action was developed at a time when economics were beginning to dominate the social sciences. The theory is based on the rational-choice assumption that individuals are guided by their own self interests. Therefore, they will not engage in collective action unless compelled to do so by certain incentives that they cannot otherwise attain as "free rider" benefactors of other's resistance. Using resource mobilization theory, contentious collective action, like individual action, is subjected to a certain cost-benefit analysis. The success of social movements is dependent on the availability of resources that groups need to establish links to external support systems and elite alliances, as well as the degree of incorporation by authorities or opponents (McCarthy and Zald, 1977). However, given the resources, social movements must take the initiative to "mobilize their followers and promote their causes with the best available strategies..." (Kitschelt, 1986: 59).

While resource mobilization theory recognizes the importance that agency plays within an aggrieved population of rational actors, Tarrow asserts that change in political opportunities and constraints are what truly inspire cycles of contention to emerge. Political opportunity structure theory comes from structuralism and maintains that the birth and course of a social

movement depend entirely on shifting institutional structures and the “ideological disposition” of those who hold power. In other words, external events (as opposed to networking) serve to further or restrain the ability of movements to participate in collective action (McAdam, 1996: 23). Based on a strong tradition rooted in European political science, the theory has been used to explain the rise and fall of various movements world-wide, from the American Women’s movement to the nuclear freeze movement (Kitschelt, 1986; McAdam, 1996). In addition to Tarrow, Doug McAdam and Herbert P. Kitschelt have contributed substantially to the theory’s development.

According to Kitschelt, structures influence the choice of movement strategies (like concertation over conflict) and determine movement “success” based on procedural, substantive and structural change. The first opens new channels of participation, the second is change in the area of policy, and the last involves the transformation of the political opportunity structures themselves (Kitschelt, 1986). However, as McAdam points out, the theory has been defined in a number of ways and applied to a variety of dependent variables. Thus, it is faced with the risk of becoming “all-encompassing” and virtually void of analytical power (McAdam, 1996). He thoughtfully addresses this problem in his essay on the conceptual origins of social movements in which he synthesizes the relevant literature available in order to come up with a comprehensive selection of variables.

Timing of collective action and the outcomes of movement activity represent (through consensus) the dependent variables. The independent variable is “openness”, measured by examining elite alliances and alignments, access to representation and decision-making bodies (Tarrow, 1998; Kitschelt, 1986; McAdam, 1996), the stability of elite alignments and the state capacity for repression—measured as strong or weak. According to Kitschelt, very closed

regimes repress social movements; very open ones assimilate them. Moreover, openness requires a degree of concertation, or the “opportunity for articulating new demands” (Kitchelt, 1986: 64).

Perhaps Tarrow puts it best when he points out that the term “structure” is somewhat misleading when dealing with political opportunities, as “most opportunities or constraints are situational and cannot compensate for long for weaknesses [or strengths] in cultural, ideological and organizational resources” (Tarrow, 1998: 77). This observation brings us to the next body of literature. While advocates of resource mobilization and political opportunity structure dispute the use of internal versus external responsibility (or agency versus structural) arguments in social movement theory, both leave out a crucial piece of the puzzle: the role that culture and identity play in the life-cycle of a social movement. Though ideology is mentioned in earlier social movement literature, it is often treated, “as if it flowed almost naturally or magically from the movement’s underlying strain” (Snow and Benford: 135).

Culture itself is generally defined as a set of common values and customs shared by a group of people, and often includes a certain identity that may be expressed through the use of symbols (Tarrow). Culture theorists provide an explanation for the dominant symbols and changing cultural meanings employed by social movements, arguing that cultural factors such as collective identity and ideology not only impact the course and content of a social movement but are continuously being strategically sculpted by movement organizers attempting to solve the movement’s various objectives. However, while Tarrow, Snow and Benford suggest that movement identity represents a conscious decision on the part of movement organizers, I find that such an argument limits the potential scope of identity theory. I would argue that identity

can also be born from social, economic, or political conditions, in which case, that identity would be either partially or fully out of the movement's control.

Culture theory also centers on issues of framing. It serves to frame the context in which politics take place, define boundaries, and link individuals to collective action. Snow and Benford define framing as an “interpretive schema”, which implies “agency and contention at the level of reality construction” (Snow and Benford, 1997: 136-7). They go on to characterize collective action frames as modes of attribution, assigning blame for an articulated issue and a sense of responsibility for corrective action. Tarrow points out that frames often focus on issues of injustice and draw on emotions—whether love, loyalty, anger, or desperation—as these are powerful tools of mobilization (Tarrow, 1998: 111). Most social movements exist within a “master frame,” which function as an all encompassing medium for interpreting the movement's goals and tactics. Tarrow emphasizes the importance of a master frame that synthesizes traditional culture with the new, status-quo-challenging goals of the movement.

While Snow and Benford acknowledge the highly theoretical nature of their work, they go on to provide a set of more navigable propositions and empirical evidence concerning the application of Master Frame Theory to the evolving “life cycle” of social movements. They argue that master frames emerge with cycles of protest and serve to mobilize contention. According to culture theorists, frames, and particularly master frames, play an important role in the relative success of social movements (McAdam and Friedman, 1996).

From Resource Mobilization Theory, I take the notion that collective action in the case of the labor movement is the direct result of constituents acting rationally in their own self interest, that interest being to achieve higher wages and better working conditions. In order to mobilize workers into organizations capable of participating in collective action and contentious politics, a

guiding framework and movement identity must be in place. In the Uruguayan labor movement, that framework involved a political struggle structured around the concept of workers' rights.

Upon reviewing the approaches, it becomes evident that both resource mobilization and opportunity structure theories deal with the role of elite allies. McCarthy and Zald explain that in resource mobilization "society provides the infrastructure which social movement industries utilize" (McCarthy and Zald, 1977: 1217). Meanwhile, Tarrow emphasizes the importance of influential allies that encourage collective action through their ability to act on behalf of the social movement, whether in court or at the negotiating table (Tarrow, 1998). Whereas the differences between these definitions are subtle at best, I will discuss labor's relationship with labor's elite ally in terms of a single variable which applies the main concept of both theories; that elite allies provide movements with access to representation.

As McCarthy and Zald note, the ability of movements to mobilize resources is undoubtedly shaped by broad economic trends, in this case, a global restructuring of production that begun in the early 1980's. Their first hypothesis states that the amount of resources a movement has available is directly related to the amount of resources held by the "mass and elite public" (the nation). To stop there would be to conclude that when global and national economic conditions began to change in the 1980s, the resource-starved labor movement simply ceased to function. However, such a conclusion would only be partially true. For the purpose of this paper, I would like to emphasize the difference between "broad economic trends" such as world wide crises of the 1980's and the restructuring of global production, as opposed to the actions that governments take in order to adjust to those trends. It is within the latter category where structural adjustment plans and neo-liberal reforms can be found. Thus, while the closing of factories and the changing face of the labor market played a crucial role in the weakening of the

Labor movement—one which cannot be ignored—this paper asserts that other variables rooted in social movement theory enabled the movement to succeed in avoiding or postponing a number of such reforms.

While social movement theory provides some compelling examples of how opportunity structures, networking capabilities, and cultural cues can influence the strategy and outcome of movements, it remains quite vague, notably in the area of the dependent variable. Perhaps this is because “success” is measured differently depending on the movement and the context. Furthermore, political opportunity structure theory’s use of “opened” and “closed” systems is only loosely connected to the dependent variable of success. For the purpose of this paper, I define movement success in two ways. First, I define it in terms of its strength, which is measured by size and independence as well as ability to engage in collective action, such as the strike. My independent variables lead to “success” by creating the conditions through which the movement is able to organize, mobilize external support, and carry out collective action. Secondly I define “success” by resistance; both to regulation of union activity and strike regulation, as well as government-imposed wage caps.

Overall, I argue that the movement resisted neo-liberal structural adjustment plans imposed on regional governments at the time by international organizations like the International Monetary Fund (IMF) and the World Bank. The causal variables I consider are 1. The labor movement’s non-radical political identity before the coup, 2. The structure of labor organization, 3. The master frame of workers’ rights, and 4. Access to representation provided by the formation of the National Concertacion Plan (CONAPRO) and emergence of Frente Amplio.

Empirical Section

Global Economics and the Neo-liberal Response

Though antecedents to the Uruguayan Labor movement can be found at the turn of the twentieth century, the modern movement emerged from economic crisis towards the end of the 1950's, when a major reduction in state spending led to social unrest. At the same time, many Latin Americans were seeing the end of the ECLA-influenced ISI models of growth and a turn towards neo-liberalist plans for structural adjustment and economic stabilization. The lack of political party allies placed the movement in the role of political opposition to the state, reinforcing its classification as a social movement. In 1967, workers from both blue and white-collar sectors united under the National Convention of Workers (CNT) (Filgueira and Papadópulos, 1997).

In order to understand the Uruguayan labor movement's resistance to reform, it is first necessary to understand the nature of the reforms themselves. Beginning in the 1980's, many Latin American countries experienced what has been termed a "paradigmatic shift" in the political and economic outlook of nations. With the fall of the Soviet Union and the declaration of capitalism as the dominant world economic system, the global economy was reoriented towards an "open", market-driven system of free trade. As a result, national economies moved away from the Import Substitution Industrialization, (ISI) of the forties and fifties and towards exportation. Moreover, after the debt crises of the 1980's, Latin American countries found themselves highly dependent on loans from international organizations like the IMF and the World Bank, both of which required governments to adopt structural adjustment plans in order to receive funds (Banda Oriental, 2001; Gwynne and Kay, 2001: 2-4).

Modeled after successes in Southeast Asia, the idea behind neo-liberal reform is that markets function most efficiently without interference from the state. Developing governments were advised to drop protectionist tariffs, retreat from economic affairs and leave their economies to compete in the market on par with industrialized nations. These restrictions clearly reduced government's political maneuverability. Furthermore, governments were to support privatization of industry and a shift to national production based on "comparative advantage", as well as deregulation and liberalization of the labor market. In the area of industrial relations, reforms were oriented towards creating new systems of collective bargaining in which employers were often given more power than labor unions. According to the World Bank in 1989, "Legislation concerning a minimum wage, regulations restricting the capacity of employers to hire and dismiss, and other similar interventions, tend to increase costs, reduce competitiveness and limit the growth of employment" (Rodríguez, 1995: 20, my translation). Furthermore, as a result of international competition, companies often increase their profits by slowing wage increases, or eliminating them all together. The social ramifications of these kinds of "shock" plans for economic adjustment were often very painful, notably for workers, as entire industries unsuited to export competition disappeared and public employment plummeted (Gwynne and Kay, 2001: 9-14) Meanwhile, the introduction of labor-saving technology as well as the growth of the informal sector have drastically reduced the size of the work force (Drake, 1996: 101).

Resistance to neo-liberal reform

The first attempt at neo-liberal reform in the area of industrial relations was carried out during the Sanguinetti administration, which took office in 1984 and aimed at regulating labor union activity. At the time, enterprise was looking to decentralize and depoliticize the unions in

order to change their logic surrounding collective action (Filgueira and Papadópulos, 1997: 369). The regulation would consist of instituting a secret ballot through which members of the Wage Councils would be elected, as opposed to appointed by employers and the labor movement leaders (Bronstein, 206), similar to a system created in 1943¹. However, in the end, public authorities decided that trade union matters such as the election of officers to sit on wage councils should be left to the unions themselves to decide (Pucci, 1992: 71-73).

When Lacalle took office in 1990, he found himself as a reformist leader of a country still very much in the mindset of a welfare state. The workforce had not yet been significantly cut down through economic restructuring. Meanwhile, public employment held fast, and though it did decrease some, the state's unwillingness to privatize numerous industries kept the public sector strong (Drake, 1996: 100). Still, there is no doubt that Lacalle's presidency was characterized by a distinct tendency towards neo-liberal ideology (Pucci, 1992: 123). He tried to create both a cap on wage increases and regulate the right to strike. However, the movement organized two general strikes in the first year of Lacalle's administration, demonstrating the kind of unified force that Lacalle would have to overcome in order to achieve his goals (Filgueira and Papadópulos, 1997: 370). The wage caps also failed after companies and unions negotiated wage increases above the government-set inflation rates. In the end, neo-liberal reform was unsuccessful in all three areas.

Uruguay as "Welfare State"

Throughout the better part of Uruguay's existence as a nation, the government has played an interventionist role in the economy and society. In the early 1900's, the export of agricultural

¹ In reality, while the Wage Councils of 1943 technically required that members be elected rather than appointed, movement leaders often mobilized resources and held influential campaigns in order to get their candidates elected (Pucci, 37)).

products commanded high prices in the international market. The result was a healthy national economy, in which the state generated urban employment, subsidized industry, and financed a growing public sector. This period set the standards for an impressive social security system, which throughout the 1980's remained among the most comprehensive in Latin America (Bronstein, 1989). In the 1930's, the state established distinct instruments for controlling imports and exports. President José Battle promoted workers' rights by improving working conditions, providing free education, and starting a program for public housing and health care. During this phase of consolidation and expansion the state continued to play the role of regulator in the economy, instituting various programs of social reform. After the Great Depression in 1929, the global prices for prime materials fell sharply, as did the Uruguayan economy. The social instability that followed eventually resulted in a coup d'état in 1933, and the new leader, Gabriel Terra, was quick to unconstitutionally dissolve parliament. However, despite the breakdown of democracy and installation of an authoritarianism that lasted until 1938, the state neither overturned reforms initiated by Battle nor retreated from economic and societal protectionism. On the contrary, this period witnessed the creation of a Minister of Health, the National Institute for the Advancement of Science, and the National Institute of Economic Living (Yaffé, 2004).

In November of 1943, the Legislature passed Act # 10449, which called for the creation of industry-wide tripartite Wage Councils through which enterprises and workers could negotiate minimum wages in the private sector with the mediation of the state (more specifically, the Minister of Labor). While these councils represented government regulation of trade relations (the first regulation of its type), the state sought neither to protect nor promote unions, which enjoyed independence on issues of internal organization. Whereas labor lacked political party

support, the state helped to negotiate its demands without compromising the autonomy of unions. Thus, the councils were generally beneficial to the workers (Drake, 1996: 92).

The tradition of the Welfare State strengthened labor by allowing the unions themselves to remain independent from state regulation. Moreover, Uruguay's strong tradition of social democracy provided a context for both the non-radicalism of the pre-coup labor movement and the master frame of "rights" later taken up during the re-democratization period.

Non-Radical Political Identity

Whereas healthy economic conditions allowed the state to stay out of labor affairs, (apart from the wage councils), the labor movement in Uruguay never had the opportunity to develop the degree of class-based political ideology that existed within labor movements in Argentina or Brazil² before the coup. On the contrary, during this "golden age" of the Uruguayan welfare state that lasted from 1943 to the middle of the 1950's, industrial relations were characterized by strong and insular, non-radical labor unions. Essentially, the state agreed to maintain policies of ISI and uphold the welfare state, in return ensuring clientelistic votes for one of the two "catch-all" parties, the Blancos and the Colorados. As a result, in the years following its emergence, the Labor movement relied less on Marxist ideology and more on the support of a genuine social democracy when articulating its demands (Drake, 1996: 94). This is not to say that the movement had no ties to leftist political ideology. In fact, the years immediately preceding the coup saw a sharp increase in political activity among movement members. However, based on the nation's history of conciliatory relations between the industrial actors and the state, the

² There is disagreement in the literature over the degree to which Uruguay harbored a highly politicized labor movement, notably before the coup. Regardless, the consensus goes so far as to suggest that the movement was far less political than that of its labor counterparts in Brazil, where the movement was re-conceptualized as a political party or Argentina, where a strong populist tradition linked workers to contentious politics.

movement did not have time to develop into a full-fledged class war by the time economic crisis hit in the 1950's. The non-radical political identity of the movement contributed to its strength following re-democratization because it decreased the amount of government oppression, allowing the movement to reform practically unaltered after the fall of the military government.

Examples of the movement's non-radical stance exist in a number of areas. For one, Uruguay did not have a pro-labor government on the eve of the coup, a fact that distinguishes the nation from Brazil, Chile, and Argentina. In fact, neither of Uruguay's traditional parties, the National Party (Blancos) or the Colorados, claimed any sort of alliance with labor. Nor did the CNT have any ties to international movement organizations at that time. Moreover, only a weak link existed between social class and party preference, suggesting that union members had no unified plan of action when it came to voting. Finally, only a small percentage of workers participated in the collective action of the Tupamaro guerrillas, a radically leftist group of urban dissidents that emerged directly before the military coup as a result of falling real wages and worsening economic conditions (Drake, 1996). Thus, the movement did not express a politically charged platform, neither from within the confines of political institutions nor outside those institutions.

The lack of a well-defined political identity within the early labor movement inadvertently led to a less costly authoritarian experience, whereas it was seen as less of a threat, especially after having been all but debilitated by a law passed in 1968 suspending the Wage Councils (Pucci, 1992; Drake, 1996). While the military launched a harsh campaign of repression against unions, outlawing all movement activity and sending many leaders (especially those associated with leftist politics) to prison or exile, the degree of government repression was much lower than that of Argentina, where over 30,000 people were killed or simply disappeared.

By 1981, the state felt confident enough to once again legalize labor unions through the Law of Professional Association, arguing that concertacion was both natural and necessary. Allowing for the establishment of new unions at the enterprise level, the law strictly prohibited the existence of leftist influences and old movement organization. Nevertheless, labor quickly took advantage of the new political space, reorganizing traditional union structures anyway (Pucci, 1992: 39; Drake, 1996: 103). Leaders returned from exile to the positions they had left behind and the movement quickly reenergized to take on the military government (Pucci, 1992; Drake, 1996; Bronstein, 1989). When, in 1983, the leaders overstepped legal authority to create the Interunion Plenary of Workers (PIT) which combined with the old CNT to form the united PIT-CNT, it was clear that the movement had retained its strength through the dictatorship. As further proof, it was the first group to hold a demonstration demanding the restoration of democracy and union rights, the expansion of production and employment, the raising of wages, and the release of political prisoners. Again in 1984, labor mobilized its first general strike since the beginning of military rule (Bronstein, 1989).

Thus, while labor in Argentina had been highly debilitated by the period of oppressive military rule (Pucci, 21), the Uruguayan movement emerged in essentially the same place—a fact that contributed to the overall strength and organization of the movement. By May of 1983 there were already 37 labor organizations legally registered with the state. That number skyrocketed to 140 by January of 1984, and in October of that same year, the number of organizations had reached an outstanding 713. Consequently, between the years of 1985-1989, the movement boasted nearly 250 thousand affiliates, with 95% of the work force participating in some form of collective action, the majority involving the PIT-CNT (Pucci, 39, Notaro, 1994.2).

Labor movement Organization

Another variable affecting the ability of the Labor movement to resist neo-liberal reform is the structure of Uruguayan union organization. Since the 1950's, the Uruguayan labor movement has maintained a high level of centralization, made possible by the fact that unions are arranged according to sector as opposed to enterprise, with a singular national umbrella organization, the PIT-CNT. While the structure of union organization is not unique to Uruguay, it contributed significantly to the labor movement's ability to mobilize, as workers from blue and white collar jobs work together towards the same goals during negotiation. This uniting feature of the movement has been strengthened considerably on two separate occasions. During the economic crisis of 1970's, as real wages declined in every sector, blue and white collar workers found themselves with more interests in common than in conflict (Filguera and Papadopoulos, 1997). Again in the early 1990's, (as discussed in the next section) redistribution programs made the effects of the economic crisis far more egalitarian in nature (Winn and Clérico, 1997).

The unification of the movement in this way increased the power of the PIT-CNT, whose strength can be seen through the fact that unions were compelled to participate in collective action alongside the labor movement, even when they could achieve more favorable negotiation outside of it. Furthermore, the structure of union organization increased the movement's influence at the bargaining table, as negotiations were often set up in a way that allowed for the movement to bargain as a block. By the end of the 1980's, the growing power of the CNT-PIT, which, unlike the central labor organization in Argentina, never split, was seen as threat by enterprise (Pucci, 1992: xiii).

“Rights” Master Frame

Another major product of Uruguay’s protectionist history was the emphasis on workers’ rights—a concept that the labor movement developed as a master frame for contentious politics. This provided a frame of contention through which the Labor movement could ally with other movements in order to expand its external support system and harbor more political weight against government regulation.

Uruguay maintains a long standing tradition of labor rights which are protected by the constitution (Universidad Católica, 20). In place of a radical political agenda, the Uruguayan Labor movement developed a master frame of “rights”, enabling it to expand its support system by allying with other rights groups towards the end of the dictatorship. The labor movement at this point, structurally and ideologically sound after what Drake refers to as the “parentheses” of the dictatorship, represented one of the principal participants in the battle to end military rule and restore democracy (Drake, 1996; Filgueira and Papadópulos, 1997; Pucci, 1992). It mobilized the support of groups outside the movement, for example, human rights activists, through the master frame of “rights”. Workers’ rights quickly become integrated with “human rights” and the labor movement took up the slogan of “nunca más” (no more) in reference to the human rights abuses of the military dictatorship (Drake, 1996).

Overall, the master frame of workers’ rights allowed the movement to mobilize support from outside of the movement and its specific cause. The broader alliance among activists and regular citizens who empathized with the issue of both human rights abuses and workers’ rights gave the movement significantly greater weight in the political arena. In the coming years, the outward appearance of that support system would protect the right to strike from reforms imposed by neo-liberalist administrations.

Access to Representation: CONAPRO and Frente Amplio

The last few years of military rule in Uruguay presented a significant opening in the opportunity structure characterized by government repression, as the state's ability to repress labor went from strong to weak. The anticipation of democracy ushered in a period of organic participation, concertacion, and desire to cooperate. Additionally, the strength and organization of the labor movement that resulted from a traditionally non-radical identity and the master frame of "workers' rights" outlined above **enabled** the movement to form networks with other groups while attracting the support of the larger population. This opening framed the strategy of the labor movement towards conciliation as opposed to conflict, which at the time, was the most effective way for the movement to gain political ground, as increased conflict would have thwarted efforts to end authoritarian rule and leave the movement with very little room to maneuver. Perhaps the best example of this combined effort is the Concertación Nacional Programatica (CONAPRO). Formed in 1983, CONAPRO was made up of the major political parties, trade unions and other social and human rights organizations. Such a concrete political agreement differed substantially from its counterparts in Brazil and Argentina, where limited non-aggression pacts called for basic dialogue between actors, giving little more than lip service to the possibility of real social consensus (Munck, 1994: 94). CONAPRO came up with a list of suggestions for improving industrial relations. The list included the repeal of all collective bargaining and union policies adapted by the military government, the reinstatement of all public employees that had been dismissed for political reasons and the reinstatement of the Wage Councils for the purpose of negotiating wages increases every four months (Brontstein 1989, Pucci 1996).

While CONAPRO served as an important source for networking, the benefits of concertation within an inherently oppositional movement soon faded, and the movement quickly reoriented its strategy towards conflict. After it was clear that democracy had won out, the labor movement began to exercise collective action with a force, organizing ten general strikes during the Sanguinetti administration alone. Additionally, 939 disputes between March of 1985 and September of 1986 resulted in work stoppages (Drake, 113, Rodríguez). The high levels of conflict during this time were testament to the political opening that CONAPRO had provided the movement. They also served to reinforce the movement's power in the eyes of business and the government, giving it considerable influence as a political actor.

The formation of CONAPRO created possibilities for networking, and during its existence, the Labor movement formed important allies. Perhaps the most important of those was the budding political party, El Frente Amplio.³ El Frente Amplio (The Broad Front) was founded in 1971 and is a coalition of various parties from the left and center left, the most notable of which have been the Communists, the Socialists and the Christian Democrats. Throughout the party's short history it served as the principal (and first) political party ally for the Uruguayan labor movement evident by the fact that in the elections of 1984, union members voted 58% in favor of the new party. When the Front won 33% of the seats in the Parliament along with the municipality of Montevideo in 1989, it opened the political opportunity structure surrounding the labor movement by providing access to political representation through an elite ally. The connection between labor and the Front was reinforced during Tabaré Vázquez's term as mayor in Montevideo, during which he reduced the work day to six hours, increased public sector wages and regularized negotiations (Winn and Clérico, 1997: 453).

³ I at times refer to El Frente Amplio as simply "The Front".

Vázquez was concerned about co-optation over cooperation, and worked towards concertacion on all fronts—not only between organized labor and capital, but within the informal sector as well (Winn and Clérico, 1997: 455). During the economic crisis of the 1980's, real income had fallen by 50%, widening the gap between employers and employees (Drake, 1996: 99). As previously noted, Vázquz evened the playing field by instituting reforms in the area of redistribution, initially through a property census, (which he referred to as progressive taxation). By imposing an egalitarian structure on workers, he decreased the distance between blue and white collared workers by encouraging them to unite across class lines and negotiate for better wages and conditions.

The fact that the party outwardly supported, and claimed to represent the workers gave the labor movement considerable weight, as the Front continued to have overwhelming success at the polls. Thus, the growing popularity of the party kept both the Sanguinetti and Lacalle administrations in check in terms of challenging both the right to strike and the autonomy of the Labor movement.

Conclusions

As noted earlier in this paper, one major challenge to labor negotiation accompanied the presidency of Lacalle, and that was his decision not to call the Wage Councils to the regularly scheduled meetings. In their place, he simply increased wages and called a meeting of union leaders and company CEO's in order to discuss issues of real wages, employment, labor relations and the state. However, when Lacalle introduced in December of that same year a plan to limit the right to strike, union leaders walked out and negotiations were terminated (Notaro, 1994). Lacalle failed to regulate the strike, but since then, the state has failed to call a single meeting of the wage councils, previously meeting every four months.

The policies of Lacalle towards the Wage Councils hurt the labor movement by denying the new generation of workers the opportunity to negotiate for better salaries and working conditions, thus making it very difficult for the movement to convince individual workers of its importance in their lives. Today, company leaders have no motivation to hear the demands of the workers. Instead, workers continue to suffer worsening conditions, loss of job security, decreased social security benefits, and the lack of institutions through which they could have their voices heard on these issues (Notaro, 1994: 2).

The movement has been weakened considerably and lacks the power of contentious action and is currently quite weak. Some 90% of active workers are not affiliated with PIT-CNT. Nearly two-thirds of those who are affiliated are from the public sector, although they only make up 21% of the total work force. Moreover, the image of the movement has deteriorated over the years, as the cost of affiliation to the movement in relation to the benefits is high. Given such conditions, it is unlikely that the movement will be able to recover in the twenty-first century the kind of numbers it saw immediately following democratization (Rodríguez, 2001).

However, while the movement has been significantly weakened, the government failed to alter its basic structure by imposing state regulation on union activity. The PIT-CNT has, for the most part, maintained its autonomy. Moreover, the movement played a crucial role in resisting the onset of other neo-liberal reforms that swept neighboring nations. Attempts during the presidencies of both Sanguinetti and Lacalle to regulate internal labor activity and the strike, as well as establish a true cap on wage increases, were unsuccessful.

In this paper, I argue that the failure to implement neo-liberal reform is explained by the strength and mobilization of the movement. Through a non-radical political identity, the

structure of labor organization, a successful master frame, and ample access to representation opened the political opportunity structures, allowing for mobilization on the part of labor. The movement was successful in a number of areas. For one, it was able to increase affiliation and external support, as well as act as a unified force, giving it more power and influence as a political actor. Furthermore, it was able to mobilize resources in order to act collectively, demonstrated by the high levels of conflictibility in the years following re-democratization.

Implications for the Future of Labor Relations

For the most part, scholars (notably in the field of economics) agree that it is unlikely that the Uruguayan labor movement will gain back the status it held in the late 1980's or early nineties, as the changing structure of production and technological advances have diminished the number of unions. Additionally, beginning in the mid-nineties, Frente Amplio has moved away from the revolutionary fight of the proletariat and more towards social agreement. Due to a recognition of global economics and national crisis, the party today states that “our front has to think not only about the interests of the workers but of the society as a whole” (Yaffé, 2001, my translation). The majority of changes will occur in the field of education and poverty prevention through an emergency plan that will provide immediate financial relief to the most vulnerable sectors, including children.

However, despite economic set-backs and priority shifts in Frente Amplio, there is reason to believe that the entrance of the party to the highest political office in March of this year will mark a considerable change in political opportunity structures for the modern labor movement. According to Jaime Yaffé and Adolfo Garce in their book, *La Era Progresista* (The Progressive Era), Vázquez will face a degree of comparative advantage far greater than that of his predecessors on the issue of governability, as he will have the opportunity—through strong leftist

ties—to negotiate with labor unions. Yaffé refers to the longstanding relationship that has existed between labor and the Uruguayan political left as likened to “brotherhood”, noting that not only have the two actors demonstrated “programmatically and tactical harmony” on several occasions, but also a number of union leaders currently hold prominent positions within the party. One of those leaders and future deputy in the legislature, Hector Tajám, confirms that the new government plans to return many of the labor rights lost in the decades before. He especially notes the Wage Councils, which he says will establish a “minimum floor” of wage negotiation (Tajám, 26/11/2004). Thus, the one area in which Lacalle successfully implemented neo-liberal reforms by removing the state from labor negotiations will likely be reversed. As such, Yaffé predicts that the number of labor conflicts will skyrocket in the months following the inauguration of Vázquez in a few weeks. Indeed, the process has already begun.

Moreover, despite a shift away from traditional labor interests, el Frente “has not abandoned the values of equality, justice and social solidarity” (Senatore, 2001: 118). According to Tajám, the new government will not consider the privatization of public industries like energy and communications, whereas private business does not represent “the country’s best interests”. This attitude represents a major shift away from the neo-liberalist attempts of the Lacalle administration. Tajám, with a tone reminiscent of Uruguay’s traditional ideological left, suggests that the recent Frente Amplio victory is evidence of a global trend towards the return of the state as a primary actor in national economics. While similar experiences of progressive rises to the top—the PT in Brazil and Kirchner in Argentina—have resulted in less than revolutionary change in the area of labor market reform, this study suggests that Frente Amplio is likely to have more success.

Bibliography

Alario, Ana María Reyes. 1995. "Cambio Técnico y Estabilidad Laboral." in *Empleo y Relaciones Laborales en el Uruguay*. Universidad Católica, Montevideo: Programa Modernización de las Relaciones Laborales en el Uruguay UCUDAL-FOMIN.

Bronstein, Arturo S. 1989. "The Evolution of Labour Relations in Uruguay: Achievements and Challenges." *International Labour Review* Vol. 128, No. 2: 195-211.

Drake, Paul W. 1996. *Labor Movements and Dictatorships: The Southern Cone in Comparative Perspective*. Baltimore/London: Johns Hopkins University Press.

Filgueira, Fernando and Jorge Papadópulos. 1997. "Putting Conservatism to Good Use? Long Crisis and Vetoed Alternatives in Uruguay." In *The New Politics of Inequality in Latin America: Rethinking Participation and Representation*, ed. Laurence Whitehead. Oxford/New York: Oxford University Press 360-387.

Freidman, Debra and Doug McAdam. 1998. "Collective Identity and Activism: Networks, Choices, and the Life of a Social Movement." In *Frontiers in Social Movement Theory*, eds. Aldon D. Morris and Carol McClurg Mueller. New Haven/London: Yale University Press.

Gwynne, Robert N. and Cristóbal Kay. 2001. *Latin America Transformed: Globalization and Modernity*. London: Oxford University Press.

Kitschelt, Herbert P. 1986. "Political Opportunity Structures and Political Protest: Anti-Nuclear Movements in Four Democracies." *British Journal of Political Science*, vol. 16, No. 1 (January) Cambridge: Cambridge University Press, 57-85.

McAdam, Doug. 1996. "Conceptual origins, current problems, future directions." In *Comparative Perspectives on Social Movements: Political Opportunities, Mobilizing Structures, and Cultural Feelings*, eds by Doug McAdam, John D. McCarthy and Mayer N. Zald. Cambridge: Cambridge University Press, 23-40.

McCarthy, John and Mayer Zald,. 1997. "Resource Mobilization and Social Movements: A Partial Theory." In *The American Journal of Sociology* 82 (May): 1212-1241.

Munck, Ronaldo. 1994. "Workers, Structural Adjustment, and Conciliation Social in Latin America." In *Latin American Perspectives*, vol. 21, no. 3, "Social Movements and Political Change in Latin America": 2 (Summer): 90-103.

Banda Oriental. 2003. *El Uruguay del Siglo XX: La Política*, ed. Benjamín Nahum. Montevideo, UY: Banda Oriental.

Banda Oriental. 2001. *El Uruguay del Siglo XX: La Economía Tomo 1*, ed. Benjamín Nahum. Montevideo, UY: Banda Oriental.

Notaro, Jorge. *La Republica*. 1994. "Medio Siglo de Tripartismo."

Pucci, Francisco. 1992. *Sindicatos Y Negociación Colectiva (1985-1989)*. Montevideo: Centro de Informaciones y Estudios del Uruguay (CIESU).

Rodríguez, Juan Manuel. 1997. "El Neo-liberalismo y la Cuestión Laboral en América Latina." In *Empleo y Relaciones Laborales en el Uruguay*. Universidad Católica, Montevideo: Programa Modernización de las Relaciones Laborales en el Uruguay UCUDAL-FOMIN: 13-30.

---. *La Transformación en las Relaciones Laborales Uruguay, 1985-2001*, eds. Beatriz Cozzano, Graciela Mazzuchi. Servicio Universitario de Información. Universidad Católica, Uruguay: Damaso a Larranaga.

Senatore, Luis. 2003. "Los Sindicatos Frente al Impacto de la Transformación." Montevideo, Uruguay: Instituto de Ciencia Política.

Snow, David A. and Robert D. Benford. 1997. "Master Frames and Cycles of Protest." In *Frontiers in Social Movement Theory*, eds. Aldon D. Morris and Carol McClurg Mueller. New Haven/London: Yale University Press.

Tarrow, Sidney. 1998. *Power in Movement: Social Movements and Contentious Politics*, 2nd ed. Cambridge: Cambridge University Press.

Winn, Peter and Lilia Ferro-Clérico. 1997. "Can a Leftist Government Make a Difference? The Frente Amplio Administration of Montevideo, 1990-1994." In *The New Politics of Inequality in Latin America: Rethinking Participation and Representation*, ed. Laurence Whitehead. Oxford/New York: Oxford University Press: 447-468.

Yaffé, Jaime and Adolfo Garcé. 2004. *La Era Progresista*. Montevideo, UY: Editorial Fin de Siglo, Eduardo Acevedo 1624.

Interviews

Luis Senatore: Political scientist and economist with a focus in labor unionism, in person, 11/23/2004.

Jorge Notaro: Political scientist and economist, in person, 11/24/2004

Héctor Tajam: Economist and former advisor to labor unions. Current deputy of Frente Amplio, in person, 11/26/2004.