



Cornell University  
ILR School

Cornell University ILR School  
**DigitalCommons@ILR**

---

Visiting Fellow Working Papers

International Programs

---

September 2005

# Labor Regulations and Unionization Trends: Comparative Analysis of Latin American Countries

Adriana Marshall

*National Research Council of Argentina (CONICET)*, [marshall@mail.retina.ar](mailto:marshall@mail.retina.ar)

Follow this and additional works at: <http://digitalcommons.ilr.cornell.edu/intlvf>

Thank you for downloading an article from DigitalCommons@ILR.

Support this valuable resource today!

---

This Article is brought to you for free and open access by the International Programs at DigitalCommons@ILR. It has been accepted for inclusion in Visiting Fellow Working Papers by an authorized administrator of DigitalCommons@ILR. For more information, please contact [hlmdigital@cornell.edu](mailto:hlmdigital@cornell.edu).

---

# Labor Regulations and Unionization Trends: Comparative Analysis of Latin American Countries

## **Abstract**

This paper discusses the influences of labor regulations on unionization rates through the comparative analysis of Argentina, Chile and Mexico, expecting to contribute to the understanding of the determinants of unionization in Latin America. These regulations, though only one of the factors determining unionization levels, have a crucial role, their influence being at least threefold: they define entitlements to and exclusions from the right to unionize, affect union recruitment strategies and, by generating incentives and disincentives, contribute to shape individual membership decisions. After discussing historical aspects of unionization in the three countries, the analysis centers successively in two periods in which the countries compared showed both similarities and contrasts relevant to the analysis of unionization trends. In the first, the comparison is between Argentina (1976-83) and Chile (1973-89), both under military regimes that had much in common, but with contrasting unionization trends. In the second, the focus is in Argentina (1991-2001) and Mexico (1984-2000), where the reforms implemented to liberalize the economy and ensuing social-economic and labor market transformations were similar, but unionization trends differed. It is argued that, in each case, the divergent behavior of unionization, in spite of the similar economic and sociopolitical contexts, may at least partly be attributed to differences in key labor institutions.

## **Keywords**

Latin America, labor, , regulation, union, Argentina, Chile, Mexico, recruitment, incentive, membership, military regime, economy, market, political

## **Comments**

### **Suggested Citation**

Marshall, A. (2005). *Labor regulations and unionization trends: Comparative analysis of Latin American countries*. Ithaca, NY: Cornell University, School of Industrial and Labor Relations, International Programs.

Research reported in this paper was carried out while the author was Visiting Fellow at the School for Industrial and Labor Relations, Cornell University (Fall 2005). A preliminary version was delivered at the 2006 Meeting of the Latin American Studies Association, San Juan, Puerto Rico, March 15-18, 2006.

<http://digitalcommons.ilr.cornell.edu/intlvf/22/>

## **Labor Regulations and Unionization Trends: Comparative Analysis of Latin American Countries\***

**Adriana Marshall**

Consejo Nacional de Investigaciones Científicas y Técnicas -  
Instituto de Desarrollo Económico y Social, Buenos Aires

\* Research reported in this paper was carried out while the author was Visiting Fellow at the School for Industrial and Labor Relations, Cornell University (Fall 2005). A preliminary version was delivered at the 2006 Meeting of the Latin American Studies Association, San Juan, Puerto Rico, March 15-18, 2006.

In this paper I discuss the possible influences of labor regulations on unionization rates through the comparative analysis of Argentina, Chile and Mexico, expecting to contribute in this way to the understanding of the determinants of unionization in Latin America. These regulations are but one of the factors determining unionization levels, but they have a crucial role, their influence being at least threefold: labor regulations define entitlements to and exclusions from the right to unionize, they affect union recruitment strategies, with impacts on individual membership decisions and, by generating incentives and disincentives, they contribute to shape directly individual decisions as to whether join unions or not.

The levels, trends and determinants of unionization in Argentina, Chile and Mexico were not studied systematically. There is a handful of outstanding studies for each country, that laboriously estimated union densities combining a variety of sources and assumptions, and analyzed aspects of unionization. In Argentina and Mexico research in this area was persistently hindered by the absence of reliable unionization series, although the inclusion of information on union membership in household and establishment surveys from the 1980s facilitated the study of unionization in Mexico, while in Argentina this type of information was only later and more occasionally present in surveys, and is less adequate.<sup>1</sup> By contrast, in Chile union membership series have been available in both past and recent decades. The underdevelopment of this field of research contrasts sharply on the one hand with the proliferation of studies on unionization in Europe, the United States, Canada and Australia, where appropriate information is available, and on the other with the vast literature on historical and present-day aspects of union-state and inter-union relations within Argentina, Chile and Mexico.

In this context, this paper presents some tentative ideas and results from the comparative study on unionization in Argentina, Chile and Mexico, undertaken from a perspective that, although often adopted in the analysis of the advanced countries, to my knowledge has no precedents in Latin America. In advanced countries, comparative research addressing unionization was able to analyze, applying statistical techniques, a relatively large number of countries. Precluded by the absence of information, I consider instead only three countries and examine "focal points" in unionization trajectories, selecting specific periods during which the countries compared showed both similarities and contrasts relevant to the analysis of unionization trends. The analysis focuses in the rate of unionization of non agricultural labor,<sup>2</sup> as the inclusion of the rural sector would bring additional problems, given that its employment share differs markedly across the selected countries, agricultural unionization is in general low, and statistics on rural unionization are particularly hard to obtain.

---

<sup>1</sup> This same weakness of unionization statistics affects the research reported in this paper.

<sup>2</sup> In this research, unionization rates are estimated in relation to wage earners exclusively as, from the perspective adopted, the objective is to understand the limitations and incentives faced by wage earners to join trade unions and by the labor organizations to recruit members among those entitled to unionize, and not to gauge how extensive is the influence of unions in relation to the labor force as a whole (that to an important extent depends on how large is the proportion of waged labor).

In the three countries the trajectory of unionization levels in the early decades of the XXth century was characterized by the same pattern in that the period of initial growth (union formation, legal recognition, union consolidation) was followed by some stability. By the mid 1940s union density had reached approximately comparable levels in the three countries (assuming that the figures available are realistic). Unionization levels ceased to be stable in Argentina when in the late 1940s membership experienced a jump, and continued to increase during the early 1950s in the context of government pro union policies, reaching a new level that from then onwards again tended to persist. Later, in the last years of the 1960s, the level of union affiliation increased in Chile, partly as a consequence of the legalization of agricultural unions, and union membership expanded again in the favorable social-political conditions of the *Unidad Popular* in the early 1970s. These historical aspects are discussed in section 2.

In 1973 in Chile and in 1976 in Argentina, the civilian governments were overthrown by the military, whose policies were to be clearly anti union and their intervention dramatically repressive. During these military regimes (1973-89 in Chile, 1976-83 in Argentina) economic liberalization policies were applied in both countries, although they were less deep in the Argentine case, and new labor legislation replaced earlier regulations. These military periods conform the first of the two focal points selected for analysis (section 3). In Chile, after an *interregnum* of unclear trends, the new labor legislation of 1979 was immediately followed by the sharp decline of union membership. In Argentina, by contrast, union density fell only marginally. I will argue that these contrasting trends were to an important extent the result of the particular combination of the preceding legislation and how it had structured unionization, and the new regulations.

In Argentina (in the 1990s) and Mexico (starting in the 1980s and throughout the 1990s) very similar economic liberalization reforms were implemented, whereas Chile's economic evolution was not coincident, and in both Argentina and Mexico the processes of economic and employment restructuring were alike. This is the second period chosen for comparative analysis, in this case confining the comparison to Argentina and Mexico (section 4). In this period stability continued to characterize union density trends in Argentina, the unionization rate diminishing only slightly, while in Mexico the unionization rate fell more considerably. I will contend that this divergent behavior of unionization in Argentina and Mexico, in the context of comparable processes of structural change, may at least partly be attributed to the influence of certain key institutional differences.

In what follows, before discussing the cases of Argentina, Chile and Mexico, I present the general framework on which the analytical perspective adopted is grounded.

## **1. Analytical framework**

The explanatory model of comparative unionization levels (across countries, regions, over time) includes a wide array of economic, social, institutional and political factors, principally:

government labor policies; legal regulations (labor, social security);<sup>3</sup> the general labor market situation (unemployment levels) and employment structures;<sup>4</sup> union recruitment strategies; unions' success in bargaining; predominant social and political values;<sup>5</sup> degree of employer opposition to unions and unionization;<sup>6</sup> existence of alternative forms of labor representation at the firm or elsewhere. In this paper, however, the focus is in the potential role played by legal regulations.

Legal labor regulations may establish obligations of workers in relation to trade unions (e.g. compulsory affiliation), or mold individual decisions to join unions by generating incentives and disincentives; they contribute to shape union recruitment strategies (that in turn influence individual decisions), and define entitlements to unionize and requisites to create unions. Influential legal regulations include those on collective bargaining coverage; union workplace representation; closed shop; who is to manage the delivery of social benefits (e.g. unemployment compensation, health care, retirement benefits); union dues of members and non members; union and bargaining structures; monopoly of representation; minimum wages and wage indexation; and employment security. For example, if the law stipulates that collective agreements are to apply to all workers within the activity (or firm) to which the agreement refers regardless of whether they are union members or not, this may discourage affiliation; but in contrast unionization would be fostered if union members legally have priority in the event of a job opening, and the same could happen if legislation allows unions to collect dues from non union members benefiting from the collective agreement (because, for a generally small difference between member fees and general union dues, access to benefits exclusive for union members would be ensured).

One among the most important and consistent conclusions coming from European studies (e.g. Rothstein, 1990; Ebbinghaus & Visser, 1999; Blaschke, 2000) is that union (as opposed to state) management of unemployment compensation ("Ghent" system) expands union influence and promotes affiliation, even in those countries where unemployment compensation is not restricted to union members. Similarly, the presence of closed-shop arrangements seems to be a strong incentive to unionize (Ebbinghaus & Visser, 1999).<sup>7</sup> Conclusions from cross-state research within the U.S. support this notion, as states with "right-to-work" laws have lower union

---

<sup>3</sup> Labor regulations express state policies, but often also the results of government negotiations with unions, political parties, employer associations, etc.. In this article, I do not discuss how regulations are molded.

<sup>4</sup> Overall unionization rates vary according to the employment shares of sectors and groups with different unionization rates, or propensities and legal entitlement to unionize, and this is particularly important for comparative analysis.

<sup>5</sup> For instance, the possibility of growing individualism and how it would affect attitudes *vis-à-vis* unions and collective action was discussed in relation to youth unionization (see e.g. Haynes et al., 2005).

<sup>6</sup> On this latter, see e.g. Waddington (2002) and Hogler et al. (2004).

<sup>7</sup> Blaschke's (2000) findings, however, do not back this contention.

densities than those without them (Hirsch, 1980; Hogler et al., 2004).<sup>8</sup> Union representation at the workplace, secured through either collective agreements or direct legal recognition, has been found to be a significant determinant of union affiliation; the workplace seems to be the main "locus to recruit new members", and "protection and support in the workplace is often cited as the main instrumental reason for workers to join unions" (Ebbinghaus & Visser, 1999).<sup>9</sup> The possibility of an inverse association between degree of stringency of employment protection through individual labor legislation and unionization levels has also been discussed in the literature (Checchi & Lucifora, 2002). The effects of union and bargaining structures (in terms of degree of centralization) on union density are however less straightforward, given that centralized bargaining is expected on the one hand to aggravate free-riding (this being adverse to unionization), but on the other to reduce employer opposition to unions (Blaschke, 2000; Ebbinghaus & Visser, 1999; Scruggs & Lange, 2002).

On the basis of these ideas, the hypothesis guiding the comparative analysis of Argentina, Chile and Mexico is that certain institutional differences across these countries might contribute to account for their differential trends in unionization rates. Among these institutions, some seem *prima facie* to be particularly relevant: union workplace representation, existence or not of compulsory affiliation and of closed-shop regulations, the existence or not of union-managed systems delivering social benefits (extending the notion that union-managed social security schemes favors unionization to benefits other than unemployment compensation), and union structure (predominance of either enterprise or industry-wide unions). In any case, other institutions should also be taken into consideration, such as coverage of collective agreements; exclusions from the right to unionize; thresholds for permitting union formation; existence or not of monopoly of representation; union dues of non union members; legislation on employment security.

The applicability of these ideas to the comparisons Argentina and Chile (1970s-1980s) and Argentina and Mexico (1980s-2000s) is explored successively in sections 3 and 4 after discussing in the next section certain historical aspects of unionization in the three countries.

## **2. Comparative historical unionization trends (1940s-1970s)**

During the early decades of the XXth century, relationships between governments and organized labor in the three countries followed, although not exactly in the same periods, a similar pattern, fluctuating between conflict, including at times government repression, and tolerance or cooperation. Unions themselves were ideologically shaped, up to some extent, by similar

---

<sup>8</sup> Right-to-work laws prohibit conditioning employment to financial support to the union, or to affiliation.

<sup>9</sup> Again, Blaschke (2000) differs with this point.

political influences in the three countries.<sup>10</sup> The timing at which the initial legislation regulating unions and collective bargaining was first passed differs, however, between Argentina - where these initial regulations were established only in the 1940s and 1950s - on the one hand, and on the other Chile and Mexico, where the first labor codes were enacted in the early 1930s, with precedents in the 1920s in Chile, and in the 1917 Constitution, that laid the basis for the regulation of union activity and collective rights, in Mexico. The Chilean and Mexican early labor codes regulated both individual and collective labor rights, whereas the Argentine labor laws of the first decades of the XXth century were confined to individual labor rights, and collective regulations were developed separately later. From these early decades, Mexican individual labor legislation stood out as one of the most protective within Latin America.

Still, well before the legal regulations on labor organizations and collective bargaining had been enacted in Argentina, both had experienced some development, union growth being hindered by repressive governments, employer opposition and internal ideological cleavages (Doyon, 1975).<sup>11</sup> Doyon (1975) indicates that in 1941, before the pro unionization policies of Perón's government, there were over 400 thousand union members, representing 20 per cent of the urban labor force. The first piece of legislation explicitly addressed to the regulation of unions was promulgated in 1945, establishing *inter alia* monopoly of labor representation in collective bargaining based on the legal recognition of the union with the greatest number of members, and consolidating the dominance of industry-wide trade unions (Marshall & Perelman, 2004a).<sup>12</sup> To foster unionization, some benefits were restricted to union members only, and until 1953 the decision as to whether collective agreements applied to union members or to all workers in the trade was left to either the Labor Court or the administrative authorities (Cortés & Marshall, 1993). Affiliation was implicitly of a voluntary nature, but once the terms agreed in collective bargaining were extended in 1953 to all workers industry wide regardless of union membership, and until 1960 when regular contributions to unions by non members were explicitly forbidden, many unions charged regular fees to collective bargaining beneficiaries who were not affiliated to the union (Marshall & Perelman, 2004b).

Also in Chile those organizations that later were to be called "free" trade unions - i.e. those existing prior to the legal recognition of the right to unionize - had substantial membership levels in the 1920s; by 1925, for instance, the unionization rate was approximately 23 per cent.<sup>13</sup> With

---

<sup>10</sup> For some of the differences between Argentina and Chile in the impact of ideological influences on unions, see Flynn (1950).

<sup>11</sup> Sources cited by Flynn (1950) indicate between 100,000 and over 250,000 union members in Argentina in the 1920s and 1930s, but these figures are not fully reliable as they show sharp fluctuations from one year to the next.

<sup>12</sup> In this 1945 decree admissible union types are not described explicitly, but the text refers only to associations of workers "engaged in a common occupation, industry or trade, or in similar or related occupations, industries or trades ...", not mentioning the enterprise.

<sup>13</sup> Based on figures on membership of free unions and on wage earners in Rojas Flores (1986).



the promulgation of the first law on unions in 1924, "industrial" (enterprise) and "professional" (craft) trade unions were legally recognized (Barrera, 1971; Morris et al., 1962; Rojas Flores, 1986), and this was ratified in the 1931 labor code. Not all of those earlier free unions later sought legal recognition and, while they coexisted with legal organizations, their members were not included in the official unionization counts that started in 1932. The labor code of 1931 established that if 55 per cent of the workers in any establishment had voted in favor of creating an union, membership for the rest became compulsory. This regulation was applicable only to enterprise unions (and not to the craft trade unions formed around similar occupations). Both types of organizations were limited by the legal requisite of a minimum number to create an union.<sup>14</sup> Agricultural workers were practically excluded from the right to organize until 1967, when a new law (law for peasant unionization) gave impulse to the "agricultural trade unions", that were to represent some 10 per cent of all unions in 1969.<sup>15</sup> Most public sector employees were not entitled to unionize but they were permitted to create "associations" - not legally recognized as trade unions -, whose membership was estimated to have reached some 136,000 by 1959 (Morris et al., 1962).

In Mexico, article 123 of the 1917 Constitution had laid the foundations for union regulation, and for the separation of the organizations of private and public sector workers.<sup>16</sup> The labor code of 1931, for private workers, recognized five union types, among them the industry-wide unions, at both local and national levels. The code defined which economic activities were to be under federal jurisdiction, the remaining ones were under local jurisdictions (Zapata, 1976b). It also established closed-shop clauses: had this been stipulated in the corresponding collective agreement, the employer should give preference to unionized workers to fill a vacancy or for promotion, and should dismiss those workers who, having been union members, resigned to or were expelled from the union.<sup>17</sup> Employees of certain activities, namely banking, were not

---

<sup>14</sup> Industrial unions could be formed by manual workers employed in one manufacturing or trade firm with more than 25 workers over 18 years of age (Barrera, 1971); craft unions required 25 members minimum (Morris et al., 1962). According to Barrera (1971), industrial unions are not enterprise, but factory or plant, or single establishment, unions. Industrial unions were allowed to form federations for educational, assistance and welfare purposes (among others), but not for defending workers' claims. Industrial unions were not allowed to combine together with professional or agricultural unions in federations. Industrial and professional unions in copper mining enjoyed a special, more favorable regime.

<sup>15</sup> Limitations imposed in the 1931 labor code - such as the requirements that each union must have at least 20 workers with one year of continued service in the same place and that, of the workers desiring to create the union, at least 10 should read/write - were particularly negative for the rural sector, with a high proportion of temporary employment and of illiterate workers (Morris et al., 1962). Exceptional legislation of 1947 had permitted the organization of those agricultural workers who could not create "industrial" unions, but in 1949 (when agricultural unions started to appear in the official unionization statistics) only less than 800 rural workers were in the eight agricultural unions existing at that time, and in 1960 some 1800 were affiliated to the 23 rural unions; in 1967 the members of the 273 agricultural unions reached almost 52,000 (Morris et al., 1962; Universidad de Chile, 1977).

<sup>16</sup> On this division see e.g. Zapata (1976b).

<sup>17</sup> From before 1931, and up to the present, these clauses have been at the center of debates on the extent up to which unionization in Mexico is really voluntary, as established legally.

entitled to unionize, and there were restrictions on the right to union formation in terms of number of workers within or across establishments (20 minimum) and age (over 14 years old). By 1926-1927 the central labor confederation created in 1918 (*Confederación Regional Obrera Mexicana*, CROM) had about 500,000 members; the *Confederación de Trabajadores de México* (CTM) had 480,000 in 1937, and over a million in 1940.<sup>18</sup> As it was to be established in Argentina in 1945, unions with the largest number of members had the monopoly of labor representation for negotiating collective agreements, a situation that, in both countries, was to be a powerful element to control trade unions and eliminate political opposition (Bensusán, 2000; Cortés & Marshall, 1993).

Before the sudden increase in the rate of unionization that took place between 1946 and 1948 in Argentina, and considering that available figures are not strictly comparable across these countries, union densities in Argentina (1946) and Mexico (1948) are surprisingly similar (table 1) if the agricultural sector is excluded from the analysis.<sup>19</sup> Data in Morris et al. (1962) indicate that in 1946 union density in Chile, in relation to the labor force as a whole, was at the same level as in 1956. Extrapolating this trend to the unionization rate of wage earners, in 1946 it would have been approximately at the same level as in Argentina or Mexico (table 1). This relative similarity in the overall unionization levels of the three countries was achieved in the context of their diverse regulations on collective rights.

It was after 1946, under Perón's government, that in Argentina the rate of unionization increased substantially (table 1). Rapid growth of union membership in Argentina was attributed to government support to organizing campaigns in conjunction with the efforts of trade union leaders (Doyon, 1975). This was a period during which there still was some competition among unions to obtain legal recognition, which was based on number of members; at the time of seeking recognition, this was a strong incentive to implement unionization campaigns. It was in this period that Perón gave impulse also to institutionalization of union-provided health care for workers (Cortés & Marshall, 1993; Danani, 2005). Later this scheme, the *obras sociales*, was to become for the trade unions an important basis for member recruitment (Cortés, 1985), and was to provide workers with many other important benefits, such as recreation, tourism and sports. In 1954, union membership had reached over two millions; its fastest growth was in the late forties (1947-48). The unionization rate attained 42 per cent of all, and 50 per cent of non agricultural wage earners. High unionization rates were widespread across the employment structure, with the exception of agriculture; excluding the rural sector, the lowest rates were in trade and personal services, but in 1954 these activities employed only about 27 per cent of non

---

<sup>18</sup> Figures cited by Reyna & Miquet (1975). At the time of its dissolution in 1926, the Catholic Labor Confederation had 80,000 members (ibid.).

<sup>19</sup> Although, as above mentioned, the analysis centers in non agricultural labor, I present some figures on total unionization rates to convey a more general view. In Mexico, the employment share of agriculture was, and still is, much larger than in the other two countries, and agricultural unionization is very low (on the latter, see López Monjardín, 1991).

agricultural wage earners.<sup>20</sup> From then onwards the unionization rate was to oscillate about this level (Lamadrid & Orsatti, 1991).

It is not possible to compare the effects on union affiliation of the regulations of the 1940s and 1950s promoting unionization in Argentina with those that had acted in earlier periods in Chile or Mexico, as these had been formulated in very different macroeconomic contexts. In Argentina there was an incipient process of import substitution industrialization, absent in previous decades in Chile and Mexico. By 1960, once World War II had spurred the processes of import substitution industrialization oriented to domestic markets in the three countries, their non agricultural employment structures had become more similar: manufacturing and mining accounted for about 35 per cent of non agricultural wage employment in Argentina, 33 per cent in Chile (where mining was important as the source of foreign exchange), and 37 per cent in Mexico (Population Censuses). At that date, alternative estimates consistently confirm that the rate of unionization had increased in Argentina as compared with the pre 1948 situation,<sup>21</sup> in contrast to its relative stability in Mexico (where the increase had been of only two percent points between 1948 and 1960 for non agricultural workers). In Chile union density declined somewhat, at least between 1956 and 1960, a fall that may only partially be attributed to the "trimming" of the statistics due to a more drastic elimination of 'inactive' unions,<sup>22</sup> because in this period the unionization rate declined also if only the 'active' unions are considered.<sup>23</sup> In contrast to the low overall rate prevailing in this country, several sectoral unionization rates were high. In 1956, the proportion of waged workers in the private sector who were members of active labor unions was about 66 per cent in mining, 42 per cent in manufacturing and 78 per cent in public utilities; figures were high also in finance (64 per cent) and transportation (38 per cent). But low rates in the other economic sectors led to the low average unionization rate as, in

---

<sup>20</sup> Based on data in Doyon (1975).

<sup>21</sup> Alternative estimates, based on different sources, are thoroughly discussed by Lamadrid & Orsatti (1991) who, in my opinion reasonably, argue in favor of the higher figures (of those presented in table 1) for the early sixties.

<sup>22</sup> 'Inactive' unions include recessive unions, unions in process of dissolution, and cancelled unions. For Morris et al. (1962) "recessive" unions (*en receso*) are those that, for instance, had not renewed their board of directors while, legally, this should be done after one year and no renewal is cause for cancellation of legal recognition. Implementation of this rule generates the long process of union elimination (unions in process of dissolution), before finally being cancelled legally. See Morris et al. (1962) also for other problems with early unionization statistics in Chile (such as double membership - legally authorized - and inclusion of employer organizations among professional unions).

<sup>23</sup> Morris et al. (1962) estimated that the non agricultural unionization rate in 1959 was 16-18 per cent including the state employees organized in associations, and 10 per cent without them; according to these authors the real degree of union affiliation was in any case underestimated because members of other "free" unions (not legalized) were not counted in official statistics, and free unions still existed in 1959 (Morris et al., 1962).

contrast with the Argentine case, the less unionized sectors employed some 63 per cent of private sector wage earners.<sup>24</sup>

In the three countries unions had been obliged to register and obtain state recognition to operate, a requirement that may be, and often was, subject to discretionary manipulation. Legal regulations that may be expected to increase union membership were present in the three countries - e.g. (partially) compulsory affiliation in Chile (until 1979), closed-shop clauses in Mexico, recognition of union workplace representation, imposition of union dues to non members, and union-provided benefits in Argentina. At the same time, exclusions from the right to unionize (minimum requirements in terms of number of workers or members to allow union formation, ineligible economic activities) restricted membership in Chile and Mexico, while a major difference between Argentina and the other two countries was (and still is) union structure in terms of degree of centralization.

Legislation enacted in Argentina in 1945 and 1953 consolidated the dominance of industry-wide trade unions. Because unions were industry and nation wide, unionization drives were of ample scope, probably much more encompassing than those in Chile, where the enterprise unions were the stronghold of labor organization, or in Mexico, where union structure was more diverse.<sup>25</sup> In Argentina the arena for disputing legal recognition was much wider than the firm. This differential structure might have had consequences on comparative unionization trends. In addition, union workplace representation was indirectly recognized in Argentina since at least the 1958 law on trade unions, where the employment stability of representatives at the workplace was guaranteed, setting the foundations for the long term crucial role that union representation in the firm was to have in relation to affiliation.

Union-managed health care for workers (promoted, as we have seen, from the 1940s) constantly expanded since that decade. Growth of health and other services to union members might have been an important additional incentive to affiliation as, until 1970, these services were confined to union members. But, more importantly, this expanding scheme and the trade unions strictly speaking became an inseparable combination (Danani, 2005). For the unions it was an essential source of revenues, for the workers an indivisible component of their unions. As with union structure and workplace representation, the consolidation of a system intermingling trade unions and health care services for workers was to have important long term consequences on unionization (Marshall & Perelman, 2004b).

Even if in Chile membership was compulsory in the unionized enterprises, this compulsory affiliation had a limited scope. Enterprise unions accounted for less than 40 per cent of all unions, and somewhat over 50 per cent of union members. Although there are no estimates on proportion of unionized in total firms surely not all the enterprises were unionized. Union centralization in Argentina contrasted with fragmentation in Chile, where unions, according to

---

<sup>24</sup> On the basis of data in Universidad de Chile (1977).

<sup>25</sup> According to data on union structure in Mexico for 1978 (Zazueta & de la Peña, 1984).

Barrera (1971), had a relatively low average membership.<sup>26</sup> In spite of the political importance of federations (Zapata, 1976a), they were not entitled to collective negotiation. Union membership might have increased *pari passu* with employment, but only the increase of the proportion of unionized enterprises (or the incorporation of new economic activities to those entitled to unionize) could have led to higher unionization rates. As it was, the expansion of unionization was more gradual, increasing during politically favorable periods such as in 1938-44 when the *Frente Popular* was in government (Zapata, 1976a).

In the following decades, the 1960s and 1970s, unionization rates in Argentina continued to be around the level achieved in the 1950s; Lamadrid & Orsatti (1991) estimated for 1974 an unionization rate for Argentina (43 per cent) only slightly higher than in the 1960s (40 per cent). By contrast, in Chile unionization increased in the second half of the 1960s, and in the early 1970s. This was the result partly of massive unionization in the agricultural sector following the 1967 law that facilitated union formation in the rural sector,<sup>27</sup> partly of the significant increase in the number of recognitions of enterprise unions in 1966-68 (Barrera, 1971). Affiliation was later fostered by the propitious social and political context created by Allende's government, when, besides, union federations became entitled to legal recognition (1971).<sup>28</sup> Some statistics suggest that in Mexico the level of unionization had increased by 1970, but more accurate figures for the late 1970s (table 2) cast doubts on the reliability of those estimates.

### **3. Comparative unionization trends under military regimes: Argentina (1976-83) and Chile (1973-89)**

Repressive military regimes, strongly hostile to labor, were installed from 1973 in Chile and 1976 in Argentina. In the period that followed, the unionization rate did not decline in Argentina while in Chile the fall was notorious. Economic restructuring of employment in favor of the less unionized sectors could have played some role in explaining these diverging unionization trends in Chile and Argentina.<sup>29</sup> In both countries, with a different timing and duration (lasting in Chile, short lived in Argentina), economic liberalization measures, including trade liberalization, were

---

<sup>26</sup> In 1960, for instance, there were 562 active enterprise unions with an average membership of 244 workers (Universidad de Chile, 1977).

<sup>27</sup> On this process, see Cruz & Sáez (1985).

<sup>28</sup> Already in 1968 a law had stipulated that employers were obliged to deduct workers' contributions for federations as fixed in unions' statutes, and authorized the creation of tripartite commissions whose regulations on wages and working conditions were to be applicable industry wide.

<sup>29</sup> Campero & Cortázar (1985) argue that one of the factors that contribute to explain the fall of unionization in Chile was unemployment growth. Unemployment increased much more in Chile than in Argentina, and this might have had an important impact on the number of union members, but not on the comparative union densities of employed wage earners. Campero & Cortázar (1985) also discuss the possibility of "employment effects" on unionization derived from economic restructuring but did not estimate the actual quantitative impact, a simulation exercise that is still pending.

implemented, and the subsequent growth of manufacturing imports had a negative impact on domestic manufacturing. Although the employment share of manufacturing – a sector that was among those with higher union densities – consequently fell in both countries during this period, this decrease was noticeably larger in Chile.<sup>30</sup>

In Chile the military seized the government in 1973, and in 1973-75 union activity was suspended *de facto*. The *Central Unica de Trabajadores* (CUT) and many unions were dissolved, and restrictions were imposed on union rights (a decree of late 1973 forbade union meetings, the renewal of union leadership and collective bargaining, and the right to strike).<sup>31</sup> The number of union members decreased from 627 thousands in 1970 to 387 thousands in 1980 (PET, 1992). Apparently the decrease took place only since 1979,<sup>32</sup> because throughout 1973-78 the number of union members continued at the high levels reached in 1972-73. However, these latter figures are highly unrealistic,<sup>33</sup> because they include supposed members of inactive unions (characterized in the previous section). Once that, in 1979-80, the inactive unions ceased to be counted, the number of union members dropped; this might not have been merely a statistical procedure but also hide the elimination of unions for political reasons. In any case, considering exclusively the active unions both before 1973 and after 1979, membership and the unionization rate still decreased, though not as much as the gross figures on total union members indicate. It was in 1979 that legislation governing collective bargaining and unions changed drastically (*Plan Laboral*). The previous classification in industrial, professional and agricultural unions was replaced by four new categories: enterprise, inter-enterprise, independent and transitory unions, of which only the first one was entitled to negotiate collectively.<sup>34</sup> Unions had to adapt their statutes to be recognized (Frías, 1993).<sup>35</sup> One of the main changes was that membership became voluntary, that is, it ceased to be compulsory for workers in unionized enterprises, and it is not surprising that union density fell with the loss in membership due to this change. The greatest fall probably was in agricultural unionization, where important labor federations were

---

<sup>30</sup> Data in Cortázar & Campero (1985) for non agricultural employment in Chile, and own estimates based on Population Censuses, for Argentina.

<sup>31</sup> Some union leaders supported the military, and a new CUT replacing the preexisting one appeared in 1974. The government confirmed supportive union leaders in their positions, who then participated in the debates around labor law projects during 1974 and 1975 (Zapata, 1976a).

<sup>32</sup> Data from Universidad de Chile (until 1972) and Dirección del Trabajo (1978-1990).

<sup>33</sup> On this point, see also Frías (1993).

<sup>34</sup> Limitations on union creation based on number of employees and proportion of members were also established.

<sup>35</sup> According to Frías (1993) also these legal changes make the post 1979 affiliation statistics non comparable with previous ones.

made illegal in 1978 (Cruz & Sáez, 1985).<sup>36</sup> Members of agricultural unions had risen to 227 thousands in 1972 (Universidad de Chile, 1977),<sup>37</sup> but by 1984-85 rural unions had only 10 per cent of their 1973 membership (Molina, 1985). With the elimination of agricultural unions in 1979, rural workers, including the small independent producers, were allowed to join three of the union types provided by the new legislation (enterprise, inter-enterprise, and independent). In 1984, nearly one half of the unionized rural workers were in the "independent" unions, not entitled to negotiate collective agreements, and only 25 per cent in the enterprise unions, allowed to bargain collectively (Molina, 1985). If the rural sector is not considered, the impact on unionization levels of the regulations of 1979 and the preceding dismantling of the pre-existing legislation might have been somewhat less dramatic but still important.<sup>38</sup> Union density declined considerably in highly unionized sectors too, such as mining and manufacturing,<sup>39</sup> while this does not seem to have happened in Argentina.

In Chile, the effects of regulatory changes on unionization added to those of political repression and social restructuring. Repression and political persecution were no less dramatic in Argentina. Union activity was suspended from 1976, and until 1979 no new law replaced the 1953 and 1973 laws regulating collective labor relations. In Argentina affiliation had not been compulsory, and still under the deeply adverse conditions prevailing under the military regime, in reply to a government request, workers massively opted voluntarily to ratify or reconfirm explicitly their affiliation (Feldman, 1991). The fall in the level of unionization seems to have been very small (table 2; 1979 estimate by Lamadrid & Orsatti, 1991). One central factor contributing to retention of members might have been the union-managed workers' health care scheme, the *obras sociales*, whose characteristics were described in the preceding section. Even if in 1970 the law creating a nation-wide health-care scheme had established that access to the services of the *obras sociales* should be extended to non union members employed in the economic activity covered by the each *obra*, this had not been fully implemented.<sup>40</sup> The late 1970s was still a

---

<sup>36</sup> See Cruz & Sáez (1985) for the description of the military's policies with impacts on the organization of rural labor in 1973-79, and how the effects differed according to the attitude that the different unions had had in relation to Allende's government.

<sup>37</sup> Non active unions are included.

<sup>38</sup> Data on wage earners exclusive of agricultural workers are not available for 1980 (the 1980 Population Census does not provide this disaggregation). Campero & Cortázar (1985) cite estimates from Frías showing that, in relation to total (instead of wage) non agricultural employment, the rate of unionization fell from 28 per cent in 1973 to 11 per cent in 1983. In the same period the decrease of total (including agriculture) union density in relation to total employment was only slightly larger, from 32 per cent to 10 per cent (data in PET, 1992); the rate based on membership of active unions declined from 28 per cent in 1972 (last figure available) to 10 per cent in 1983 (based on data in Universidad de Chile, 1977). See also union density in relation to wage employment, active unions only, in 1970 and 1980, in table 2.

<sup>39</sup> Data in Cortázar & Campero (1985).

<sup>40</sup> After access to the *obras sociales* had been extended to non union members the system became an even more crucial source of union revenues. Compulsory employer and worker contributions created the conditions for the further expansion of selective services for union members (Marshall & Perelman, 2004b).

transitional period during which many workers might have believed that it was necessary to be affiliated to the union in order to have access to health care, and this belief seems to have continued to be widespread even after 1980, when a new law reestablished the same principle of generalized access. The very fact that membership had not been compulsory as in Chile, and therefore vulnerable to its legal elimination, was in favor of the stability of affiliation. In the 1979 law on labor organizations the imposition of union dues on non members on a regular basis – that had been reestablished in 1973 - was prohibited again, eliminating in this way what earlier had operated as an additional incentive to unionize, but as the only estimate on union membership is for 1979 it is too close to the law to evaluate the impact of this change. Besides, although many labor union leaders were jailed or "disappeared", union workplace representation, as we have seen already recognized and partially regulated in previous legislation, was not dismantled (actually, it was more fully regulated for the first time in 1979), and this may have contributed also to the stability of the level of unionization.

Although in Chile a major fall in union density took place in 1979, the trough in the number of union members and in union density was reached in 1983, after the economic crisis; this was followed by a slightly rising tendency in the number of union members thereafter, accompanying employment growth, while the rate of unionization stagnated at the low level of 1983 until the end of the military regime. With the elected civilian government that started in 1990, and the new labor policy that included some incentives to unionize (in particular the obligation, established in the new labor code of early 1990s, according to which non union members who are covered by the collective agreement must pay dues to the union equivalent to 75 per cent of the membership fee) union density rose. However, the increase was not substantial, and after a few years union density again receded somewhat.<sup>41</sup> In Argentina, no data are available to follow the evolution of unionization rates during the period of the military regime, except for the above mentioned single estimate for 1979 showing little change in relation to the years before the military government. Immediately after the election of a civilian government in 1983, union density seems to have remained again about its historical level (table 2).

#### **4. Unionization under economic liberalization: Argentina (1991-2001) and Mexico (1984-2000)**

Argentina and Mexico have in common, broadly speaking, a history characterized by import substitution industrialization oriented to the domestic market, that led to relatively well developed manufacturing sectors (and relatively similar non agricultural employment structures), and later the implementation of economic liberalization and privatization policies and ensuing transformations (Marshall, 2001). In addition, in both Argentina and Mexico there have been long term strong links between unions and the state, and a history of systematic exchanges of political support for benefits for unions and/or gains for workers, including different forms of state subsidies to unions and participation of union leaders in tripartite bodies. These close links

---

<sup>41</sup> Data are from Dirección Nacional del Trabajo ([www.dt.gob.cl](http://www.dt.gob.cl)), series 1986-2003. Reasons for these developments are discussed e.g. by Yanes & Espinosa (n.d.); this will not be analyzed in this paper.



between governments and the labor organizations as well as the resulting diversification of union revenues (member fees being one of these but not the only one) both tend to deter unions from implementing more active recruitment strategies as long as monopoly of worker representation does not face strong competition (Marshall & Perelman, 2004b), situation that has prevailed historically in these two countries.

In Argentina (in the 1990s) and Mexico (since the 1980s) the economy and the labor market underwent similar transformations, notwithstanding two important differences: one, that labor regulations changed drastically (although not lastingly) in Argentina but not in Mexico, and the other that in Mexico *maquiladora* industries experienced rapid growth, accounting for an increasing share of manufacturing employment, a development absent in the Argentine case. In both countries, besides, union influence on the determination of wages and working conditions was weakened; unions often were unable to obtain wage increases and to check the degradation of employment conditions. In the context of unfavorable labor market situations, unions in both countries showed a declining "capacity to deliver" - in terms of both wage increases and their quiescence to the introduction in collective agreements of flexibilization arrangements detrimental to working conditions (Marshall & Perelman, 2004a; Fairris & Levine; 2004; Zapata, 1998). Further, advance of right wing ideas created an unfavorable climate for unions and, according to some opinions, individualism gained strength at the expense of solidarity and collective action. Negative views on trade union leaderships also became increasingly widespread.<sup>42</sup> In this context of similar processes, however, union density trends were different, in that unionization fell distinctively more in Mexico (table 3).<sup>43</sup> If data coming from household surveys are considered to be the most reliable, it is clear that in Mexico the fall in the level of unionization of non agricultural labor was larger than in Argentina,<sup>44</sup> particularly if in this latter

---

<sup>42</sup> Based on opinion polls, loss of trust on unions was often reported during the 1990s in Argentine newspapers. In relation to Mexico, Bensusán (2000) cites mixed evidence (comparable opinion poll results, but also other survey findings showing more favorable views on trade unions despite the disclosed corruption of union leaders), but also points out that such findings on social attitudes should be considered with caution.

<sup>43</sup> It is necessary to emphasize once again that in both countries unionization figures are not fully reliable, and that while trends may be compared across countries, comparison of levels should be considered with caution. For each country figures from different sources - union and government registers, surveys to establishments, household surveys - are available, each source having specific problems (for Argentina see e.g. Lamadrid & Orsatti, 1991, on union-based estimates, and Marshall & Groisman, 2005, on household survey estimates). Unionization estimates for Mexico (at federal level only), different from those in table 3, are presented by Aguilar García (2001). In the case of Mexico, except for the figures presented by Zazueta & de la Peña (1984) for 1978 that come from the *Tribunales de Conciliación y Arbitraje*, union membership in the public sector usually has been equaled to the number of affiliates at the social security system for government employees (*Instituto de Seguridad y Servicios Sociales de los Trabajadores al Servicio del Estado*, ISSSTE), assuming that for government employees unionization is compulsory; indeed, legal encouragement to unionize is stronger for public employees than for private workers. In any case, Zapata (1976b) found that Sirvent's figure on membership of the government employees' union (*Federación de Sindicatos de Trabajadores al Servicio del Estado*, FSTSE) for 1974 (some 632 thousands) approximately coincides with the number of ISSSTE affiliates, giving grounds for the procedure that was to be employed later.

<sup>44</sup> In both countries data refer to non agricultural wage earners exclusive of those employed in household services and similar (Marshall & Groisman, 2005; Fairris & Levine, 2004). Figures for Argentina might

country we look at the affiliation rate of the "eligible" workers, i.e. those registered at the social security system (table 3).<sup>45</sup> Even within a single sector - manufacturing - the relative decline in the unionization rate was more marked in Mexico (table 3).<sup>46</sup>

The employment restructuring generated by economic policies (and by labor reforms in the case of Argentina) may be expected to have had impacts on unionization. In both countries the employment shares of the economic sectors that had been among the most unionized decreased. In addition, precarious employment (that refers to those situations where employed workers do not receive the social benefits to which they are legally entitled and/or are not registered at the social security scheme by the employer although this is compulsory) became increasingly widespread also in both countries (Marshall, 2004), reducing the number of workers entitled to unionize, at least in Argentina. In Argentina, besides, the proportion of temporary employment also increased (Marshall, 2004), and temporary workers have lower propensities to join trade unions. These "employment" or "compositional" effects may be gauged through simulation exercises.

In Argentina, the main impact of changes in the employment structure on the unionization rate originated in the relative growth of precarious employment; still, even this fall in the unionization rate was moderate in relative terms (table 3). The decline between 1990 and 2001 in the rate of unionization of all employed wage earners (i.e. not only of those entitled to become union members) is almost fully explained by employment restructuring at the expense of entitled workers, i.e. by the expansion of precarious employment (Marshall & Groisman, 2005). Considering exclusively the workers entitled to union affiliation, the negative effects on union density of employment re-configuration in terms of economic activity and educational level (other variables, such as firm size and sex, had no impact), although still small, would have been somewhat larger than the decline that actually took place. Therefore, other factors must have countered the consequences of structural and other changes fostering the decline of union affiliation.

In Mexico, by contrast, the combined impact of employment restructuring (in terms of industry, occupation, demographic variables and educational level) explains only a small part (less than one fourth) of the overall decline in the rate of unionization between 1984 and 2000 (Fairris & Levine, 2004).<sup>47</sup> It could be argued, therefore, that in Mexico factors other than employment

---

overestimate somewhat the actual unionization rates, but they are comparable over time (on the reasons for possible overestimation, see Marshall & Perelman, 2004b, and Marshall & Groisman, 2005).

<sup>45</sup> In Argentina, workers not registered at the social security system in practice cannot join the union as, according to the law, generally union dues should be deducted from wages by the employer, and this is feasible only if the employment contract has been officially registered (more details in Marshall & Groisman, 2005).

<sup>46</sup> Unionization figures for Mexico include the *maquiladoras*. On the distinctive characteristics of unionization in the *maquiladoras* and its diversity across regions see *inter alia* Williams & Smith (1992); Carrillo, (1991); Bendesky et al. (2003).

<sup>47</sup> Because data on firm size were absent in the surveys, the possible effects of employment restructuring in terms of firm size were not considered by Fairris & Levine (2004). The employment share of small establishments

restructuring explain the largest decline in unionization, among them social and institutional determinants.<sup>48</sup> Among these, the factors mentioned above, such as the increasing loss of prestige of union leaders and of unions, unions' declining capacity to deliver wage increases and improvement in working conditions, or growing individualism, could have played a role. However, all these latter factors are very much present in the Argentine scene as well, but in this case the unionization rate fell only marginally.

Several institutions, equivalent to those that were found to be very significant explanatory variables of unionization trends in comparative studies of European countries, might have been crucial in contributing to check the decline of unionization in Argentina: continued exposure of workers to the influence of unions via the union-managed workers' health-care scheme, continued pressure of union representatives at the workplace, generalization of the imposition of union dues on non union members who benefit from collective agreements, the undermining of employment protection through individual labor law (employment security, temporary contracts), and persistent dominance of industry-wide unions. None of these factors are present in Mexico even if both countries share some important labor regulations such as the requirement of state recognition of unions and collective agreements, union monopoly of representation based on the largest number of members, and extension of collective agreements to non union members.

1) Union representation at the workplace is a very well developed institution in Argentina, recognized either implicitly or explicitly since the 1950s. Based on the analysis of household survey data for 1990, Marshall & Groisman (2005) conclude that the presence or absence of union workplace representation is the single most important influence on the propensity to become an union member in both the private and public sectors, even after the influence of social-demographic and employment characteristics is controlled. Enterprise union delegates or committees either facilitate or stimulate affiliation, exert overt pressure or some degree of coercion on workers, or automatically affiliate them (Zorrilla, 1974; Marshall & Perelman, 2004b; Marshall & Groisman, 2005). By contrast, in Mexico, union representation at the workplace is not legally regulated and, with the exception of certain conspicuous economic sectors, it would seem that daily contacts between union local or enterprise representatives and the workers are weaker (this issue requires further investigation).

2) As we have discussed earlier, in Argentina the unions and the union-managed worker health-care system (*obras sociales*) are intermingled; legal separation did not always hinder some confusion as to their relationships, and in the eyes of many workers they are the inseparable. This may play a role comparable to that documented in relation to the European union-managed

---

(up to 20 employees) increased from some 16 per cent in 1988 to almost 23 per cent in 1999, at the expense of both medium (21-100) and large (101 and over) establishments (*Censos Industriales*). This change might have had some impact on unionization as, in Mexico, a minimum of 20 workers is required to permit the creation of an union, and this might affect enterprise unions.

<sup>48</sup> Fairris & Levine (2004) discuss the possible role of social and political factors in accounting for the decline of union density in Mexico, referring for example to changes in government-union relations, and to the somewhat reduced union success in bargaining.

systems of unemployment compensation. Even though in Argentina, as mentioned above, access to health care was extended to non union members (all workers in the economic activity) in 1980, the *obras sociales* continued to expand union influence, and some workers might still believe that they need be union members to have access to health care. Besides, often union members get selective extra benefits (easier access, more or better free services, etc.; Marshall & Perelman, 2004b). In Mexico there are no union-managed systems delivering benefits, that are provided by the state, even if unions do participate in the tripartite boards managing social benefits.

3) In Argentina, since the 1990s, the number of unions imposing, through collective agreements, union dues to non union members, has been increasing. As mentioned earlier, this promotes affiliation because paying the often slight difference between member fees and non member union dues guarantees access to benefits and services reserved for union members.

4) In relation to Europe, as we have seen, there has been some discussion on the possible inverse relationship between unionization and degree of protection afforded by individual labor law, suggesting that stronger direct legal protection of the individual worker would deter workers from joining collective organizations. While in both Mexico and Argentina there is substantial employment protection through individual labor law (regulations on dismissals and contracts in particular) when compared with some of the other Latin American countries, in Mexico employment protection is stricter than in Argentina. Besides, in Mexico there were no legal changes in the period considered, whereas in Argentina several reforms implemented during the 1990s were devised to reduce protection against lay-offs and to facilitate temporary contracts, and these reforms undermined employment security. Although some of these labor reforms proved to be short lived, the climate of undermined labor rights might have contributed to the stability of unionization levels.

5) Predominance of industry-wide unions in Argentina make unions less vulnerable to what happens with the firm. Enterprise unions - and their membership with it - might disappear with the enterprise. In a context of economic restructuring this may have had some impact, until now unknown, in the case of Mexico, where enterprise unions have a large share.

Still, a problem remains open to further investigation: why the existence of a form of closed shop in Mexico was not effective in countering the impact of those factors that fostered the decline in union membership?<sup>49</sup> Closed-shop clauses often led analysts of Mexican unionization to stress the compulsory or forced nature of union affiliation in this country, and to rightly inquire about the nature or meaning of the legally established "voluntary" union membership under these circumstances. One possible explanation of the apparent ineffectiveness of closed shop clauses could be that their inclusion in collective agreements might be less widespread than in the past; another, that even if they were incorporated, they might actually be implemented less often than

---

<sup>49</sup> Bensusán (2006) argues, however, that in the absence of closed shop the fall of unionization in Mexico might have been even larger.

in the past.<sup>50</sup> The increasing presence of so called "ghost" unions that, conniving with employers, sign "protection" agreements unknown to their supposed members (Bensusán & Alcalde, 2009), who might even ignore that they have been affiliated to the union, is still another factor that could contribute to account for decreasing self reported membership, but statistics coming from government registers based on union sources also suggest declining unionization rates (tables 2 and 3).

To conclude: while it is consistent with the findings cited in the international literature that the institutions that exist in Argentina (but not in Mexico) could have countered the decline in union membership associated with economic, labor market, social and/or political transformations, further research is needed to understand why such a powerful incentive (or coercion) as closed-shop arrangements does not seem to have been as effective in offsetting the negative effects of those same factors on the level of unionization in Mexico.

## 5. Final comments

Unionization trends are affected by economic, social, political and institutional factors. In the preceding sections the discussion focused in the possible effects of labor regulations and derived institutional configurations on trends in union affiliation. Comparative analysis was confined to only two periods, and in each one of them, only two countries were compared because they shared certain relevant developments that may have important consequences on unionization (Argentina and Chile during the military regimes starting in the 1970s; Argentina and Mexico in the decades of economic liberalization, 1980s-1990s). The existence of these common factors facilitated the analysis of the potential impacts of differences in key labor institutions resembling those that proved to be of considerable influence in other regional contexts. The conclusions from the analysis of these two periods appear to be consistent with those findings, suggesting that those institutions – union-management of social benefits and union workplace representation among them – are relevant to explain comparative unionization trends in the Latin American countries examined. In any case, further investigation on the determinants of unionization within the Latin American region is pending.

---

<sup>50</sup> No information is readily available on how often, in the different periods, these clauses were included in collective agreements in the private sector, nor on how extensive was their actual implementation had them been present. Analyzing a small sample of collective agreements corresponding to medium and small firms in Mexico, Bensusán et al. (1996) found that most of them had closed-shop clauses.

## REFERENCES

- J. Aguilar García, *La Población Trabajadora y Sindicalizada en México en el periodo de la Globalización*, Mexico D.F.: UNAM - Fondo de Cultura Económica, 2001.
- M. Barrera, "El sindicato industrial como instrumento de lucha de la clase obrera chilena", Universidad de Chile, Publicación No. 138, Santiago, 1971.
- L. Bendesky, E. de la Garza, J. Melgoza and C. Salas, "La industria maquiladora de exportación en México: Mitos y realidades", Mexico, 2003 (mimeo).
- G. Bensusán, *El Modelo Mexicano de Regulación Laboral*, Mexico D.F.: Plaza y Valdés, 2000.
- G. Bensusán, "Los constreñimientos institucionales de la renovación sindical en México", 2006 Meeting of the Latin American Studies Association, San Juan, Puerto Rico, 15-18 March, 2006.
- G. Bensusán and A. Alcalde, "Estructura sindical y agremiación", in G. Bensusán and T. Rendón, eds., *Trabajo y Trabajadores en el México Contemporáneo*, Mexico D.F.: Miguel Angel Porrúa, 2000.
- G. Bensusán, C. García and M. von Bülow, *Relaciones Laborales en las Pequeñas y Medianas Empresas de México*, Mexico D.F.: Friedrich Ebert Stiftung - Juan Pablos Editor, 1996.
- S. Blaschke, "Union density and European integration: diverging convergence", *European Journal of Industrial Relations*, 6(2), 2000.
- G. Campero and R. Cortázar, "Lógicas de acción sindical en Chile", *Estudios CIEPLAN*, 18, 1985.
- J. Carrillo W., "The evolution of the maquiladora industry: labor relations in a new context", in K. J. Middlebrook, ed., *Unions, Workers, and the State in Mexico*, U.S.-Mexico Contemporary Perspectives Series 2, San Diego: Center for U.S.-Mexican Studies, 1991.
- Comisión Económica para América Latina y el Caribe (CEPAL), "La población económicamente activa en los países de América Latina por sectores de actividad y categorías de empleo: 1950, 1960 y 1970", E/CEPAL/R.206, 1979 (mimeo).
- D. Checchi and C. Lucifora, "Unions and labour market institutions in Europe", *Economic Policy*, October, 2002.
- R. Cortés, "La seguridad social en la Argentina: las obras sociales", *Cuadernos Médico Sociales*, 34, 1985.
- R. Cortés and A. Marshall, "State social intervention and labour regulation: the Argentine case", *Cambridge Journal of Economics*, 17(4), December, 1993
- M. E. Cruz D. and A. Sáez Ch., "Chile: Opciones y desafíos del sindicalismo rural (1973-1985)", *Documentos de Trabajo* No. 23, Grupo de Investigaciones Agrarias, Academia de Humanismo Cristiano, Santiago, 1985.
- C. C. Danani, "La construcción sociopolítica de la relación asalariada: obras sociales y sindicatos", Tesis de Doctorado, Universidad de Buenos Aires, 2005 (mimeo)
- L. Doyon, "El crecimiento sindical bajo el peronismo", *Desarrollo Económico*, 15(57), 1975.
- B. Ebbinghaus and L. Visser, "When institutions matter: Union growth and decline in Western Europe, 1950-1995", *European Sociological Review*, 15(2), 1999.

- D. Fairris and E. Levine, "La disminución del poder sindical en México", *El Trimestre Económico*, LXXI (4), 2004.
- S. Feldman, "Tendencias de la sindicalización en Argentina", *Estudios del Trabajo*, 2, 1991.
- M. C. Flynn, "A comparison of the developmental patterns of the labor movements of Argentina and Chile", Ms. Thesis, University of Texas, 1950.
- P. Frías F, "Construcción del sindicalismo chileno como actor nacional, vol. 1 1973-1988", PET-CUT, Santiago, 1993.
- P. Haynes, J. Vowles and P. Boxall, "Explaining the younger-older worker union density gap: Evidence from New Zealand", *British Journal of Industrial Relations*, 43(1), 2005.
- F. Herrera and J. Melgoza, "Evolución reciente de la afiliación sindical y la regulación laboral", in E. de la Garza and C. Salas, eds., *La Situación del Trabajo en México, 2003*, México, D.F.: Plaza y Valdéz, 2003.
- B. T. Hirsch, "The determinants of unionization: an analysis of interarea differences", *Industrial and Labor Relations Review*, 33(2), 1980.
- R. Hogler, S. Shulman and S. Weiler, "Right-to-work legislation, social capital, and variations in state union density", *The Review of Regional Studies*, 34(1), 2004.
- A. Lamadrid and A. Orsatti, "Una revisión de las medidas sobre la tasa de sindicalización en Argentina", *Estudios del Trabajo*, 2, 1991.
- A. López Monjardín, "Organization and struggle among agricultural workers in Mexico", in K. J. Middlebrook, ed., *Unions, Workers, and the State in Mexico*, U.S.-Mexico Contemporary Perspectives Series 2, San Diego: Center for U.S.-Mexican Studies, 1991.
- A. Marshall, "Política económica e instituciones laborales en la regulación del mercado de trabajo: análisis comparativo de Argentina, México y Perú", *CICLOS*, No. 21, Buenos Aires, 1st Semester, 2001.
- A. Marshall, "Labour market policies and regulations in Argentina, Brazil and Mexico: Programmes and impacts", *Employment Strategy Papers* 13, ILO, Ginebra, 2004.
- A. Marshall and L. Perelman, "Cambios en los patrones de negociación colectiva en la Argentina y sus factores explicativos", *Estudios Sociológicos*, XXII (65), 2004a.
- A. Marshall and L. Perelman, "Sindicalización: incentivos en la normativa sociolaboral", *Cuadernos del IDES* 4, Buenos Aires, 2004b.
- A. Marshall and F. Groisman, "Afiliación sindical en la Argentina: Incidencia de características personales y del empleo, 1990-2001", *Estudios del Trabajo*, 2005 (forthcoming).
- R. Molina, "La expresión cuantitativa del sindicalismo agrario actual", in M. E. Cruz D. and A. Sáez Ch., "Chile: Opciones y desafíos del sindicalismo rural (1973-1985)", *Documentos de Trabajo* No. 23, Grupo de Investigaciones Agrarias, Academia de Humanismo Cristiano, Santiago, 1985.
- J. O. Morris, R. Oyaneder C., and others, *Afiliación y Finanzas Sindicales en Chile, 1932-1959*, Universidad de Chile, Publicaciones INSORA, Santiago, 1962.
- Programa de Economía del Trabajo (PET), "Series de Indicadores Económico Sociales, series anuales 1960-1991", Santiago, 1992.

- J. L. Reyna and M. Miquet, "Introducción a la historia de las organizaciones obreras en México: 1912-1966", in *Tres Estudios sobre el Movimiento Obrero en México*, Jornadas 80, El Colegio de México, México D.F., 1976.
- J. Rojas Flores, *El Sindicalismo y el Estado en Chile (1924-1936)*, Santiago: Colección Nuevo Siglo, 1986.
- B. Rothstein, "Marxism, institutional analysis, and working-class power: the Swedish case", *Politics & Society*, 18 (3), 1990.
- L. Scruggs and P. Lange, "Where have all the members gone? Globalization, institutions, and union density", *The Journal of Politics*, 64(1), 2002.
- F. Talavera and J. F. Leal, "Organizaciones sindicales obreras de México: 1948-1970", *Revista Mexicana de Sociología*, XXXIX(4), 1977.
- J. C. Torre, "La tasa de sindicalización en la Argentina", *Desarrollo Económico*, 12(48), 1973.
- Universidad de Chile, Departamento de Relaciones del Trabajo y Desarrollo Organizacional, "Estadísticas sindicales 1956-1972", Publicación 77-13-10, Santiago, 1977.
- J. Waddington and A. Kerr, "Unions fit for young workers?", *Industrial Relations Journal*, 33(4), 2002.
- E. J. Williams and J. T. Passé-Smith, *The Unionization of the Maquiladora Industry: The Tamaulipan Case in National Context*, San Diego: Institute for Regional Studies of the Californias, 1992.
- H. Yanez and M. Espinosa, "Sindicalismo en Chile: un actor que sobrevive contra tiempo y marea", Dirección del Trabajo, *Temas Laborales* 8, Santiago, n.d. ([www.dt.gob.cl](http://www.dt.gob.cl)).
- F. Zapata, "Las relaciones entre el movimiento obrero y el gobierno de Salvador Allende", *Cuadernos del CES* 4, El Colegio de México, Mexico D.F., 1976a.
- F. Zapata, "Afiliación y organización en México", in *Tres Estudios sobre el Movimiento Obrero en México*, Jornadas 80, El Colegio de México, México D.F., 1976b.
- Francisco Zapata, "El sindicalismo y la política laboral en México", XXI Meeting of the Latin American Studies Association, Chicago, 1998 (mimeo).
- C. Zazueta and R. de la Peña, *La Estructura del Congreso del Trabajo*, Mexico D.F.: Fondo de Cultura Económica, 1984.
- R. H. Zorrilla, *Estructura y Dinámica del Sindicalismo Argentino*, Buenos Aires: La Pléyade, 1974.



Table 1. Unionization rates, 1940s-1960s

	1940s			1950s		1960s		
wage earners:	AR 1946 <sup>a</sup>	AR 1948 <sup>a</sup>	MX 1948 <sup>b</sup>	AR 1954	CH 1956 <sup>i</sup>	CH 1960 <sup>w</sup>	MX 1960 <sup>x</sup>	AR 1965
all	--	--	20 23 <sup>c</sup>	42 <sup>d</sup>	--	--	21 23 <sup>c</sup>	31-36 <sup>h</sup> 30 <sup>f</sup> 40 <sup>g</sup>
non agricultural	24	38 <sup>d</sup> 41 <sup>e</sup>	26 30 <sup>c</sup>	50 <sup>d</sup>	20 <sup>j</sup> 26 <sup>t</sup>	17 <sup>j</sup> 20 <sup>t</sup>	30 33 <sup>c</sup>	36-43 <sup>h</sup> 33 <sup>f</sup>
manufacturing	30	51 <sup>d</sup> 65 <sup>e</sup>	32 <sup>k</sup>	55 <sup>d</sup> 66 <sup>e</sup>	38 <sup>j</sup> 42 <sup>t</sup>	31 <sup>j</sup> 34 <sup>t</sup>	36 <sup>k</sup>	42-60 <sup>h</sup> 39 <sup>f</sup>

a union members in 1946 and in 1948, and wage earners in 1947 (population census), so that union density might be underestimated in 1946 and overestimated in 1948; this does not affect the identified trends

b union members in 1948 (Talavera & Leal, 1977), and wage earners in 1950 (Population Census), so that union density in 1948 might be underestimated

c includes Federal government employees (*Poder de la Unión*)

d union members and wage employment from Doyon (1975)

e union members from Doyon (1975) and wage employment from population census, 1947

f unionization rates for 1965 in Feldman (1991) based on Torre (1974), except for the non agricultural unionization rate that is based on union members from Feldman (1991) and non agricultural wage earners from Population Censuses (average 1960 and 1970)

g estimated by Lamadrid & Orsatti (1991)

h two alternative estimates by Torre (1974) for 1964 using alternative data for wage earners

i union members in 1956 from Universidad de Chile (1977), wage earners from Population Censuses (average 1952 and 1960)

j active enterprise and craft unions only (i.e. employer and agricultural unions are excluded)

k includes also wage earners in mining, energy and repair services

t includes all non agricultural unions except for those cancelled or dissolved legally (i.e. includes employer unions too)

x union members from Talavera and Leal (1977), wage earners from Population Census

w union members from Universidad de Chile (1977), wage earners from Population Census

Notes: Rates are indicative, and not strictly comparable across countries. Rates refer to employed wage earners except for Mexico 1960 (all wage earners). In Mexico, wage earners sometimes include age group 12-14 not entitled to unionize.

Source: Doyon (1975); Torre (1974); Universidad de Chile (1977); Talavera & Leal (1977); CEPAL (1979) for Population Census of 1947, Argentina; Population Censuses of 1952 and 1960, Chile; and Population Censuses of 1948 and 1960, Mexico.

Table 2. Unionization rates, 1960s - 1980s

wage earners:	AR 1965	AR 1974-79	AR 1982-86	CH 1970	CH 1980	MX 1970	MX 1978
all	31-36 <sup>a</sup> 30 <sup>b</sup> 40 <sup>c</sup> 1963	43 <sup>c</sup> 1974 42 <sup>c</sup> 1979	42 <sup>b</sup> 41 <sup>c</sup> 1982-3	31 <sup>t</sup> 29 <sup>f</sup>	19 <sup>h</sup> 21 <sup>j</sup>	30 <sup>m</sup> 43 <sup>g</sup>	--
non agricultural	36-43 <sup>a</sup> 33 <sup>b</sup>	--	45 <sup>d</sup>	29 <sup>t</sup> 23 <sup>e</sup>	--	42 <sup>m</sup> 51 <sup>g</sup>	33 <sup>w</sup> (71) 36 <sup>v</sup> (78) 28 <sup>y</sup> (64) 31 <sup>z</sup> (67)
manufacturing	42-60 <sup>a</sup> 39 <sup>b</sup>	--	66 <sup>b</sup> 63 <sup>d</sup>	46 <sup>t</sup> 42 <sup>e</sup>	--	44 <sup>ms</sup>	--

a Torre (1974)

b Feldman (1991)

c Lamadrid & Orsatti (1991)

d union members from Feldman (1991); non agricultural wage earners Population Censuses (average 1980-1990)

e active enterprise and craft unions only (i.e. employer and agricultural unions are excluded)

f active unions only

g based on data on union members for approximately 1972-75 in Zapata (1976b) and wage earners in 1970 (population census) (the total unionization rate includes Zapata's suggested estimate on unionized rural workers)

h union members from PET (1992), wage employment from household surveys

j from Cortázar (1997), for 1980 (comparable with the unionization rate of 1970 based on members of active unions only)

m union members from Talavera & Leal (1977); wage earners from Population Census

s includes mining, etc., as in table 1

t includes all unions except for those cancelled or dissolved legally (i.e. includes employer unions too)

w registered unions, membership estimated from registers, federal and local jurisdictions (Zazueta & de la Peña, 1984; in parentheses: in relation to fully employed wage earners)

v registered and non registered unions, membership estimated from registers, federal and local jurisdictions (Zazueta & de la Peña, 1984; in parentheses: in relation to fully employed wage earners)

y registered unions, reported membership only (Zazueta & de la Peña, 1984; in parentheses: in relation to fully employed wage earners)

z registered and non registered unions, reported membership only (Zazueta & de la Peña, 1984; in parentheses: in relation to fully employed wage earners)

Note: Rates are indicative, and not strictly comparable across countries. Except for Mexico 1970 and Argentina 1980 (all wage earners), data from population censuses refer to employed wage earners. In Mexico, wage earners sometimes include age group 12-14 not entitled to unionize.

Source: Torre (1974); Feldman (1991); Lamadrid & Orsatti (1991); Universidad de Chile (1977); Cortázar (1997); Talavera & Leal (1977); Zazueta & de la Peña (1984); PET (1992); population censuses.

Table 3. Unionization rates in Argentina and Mexico, 1980s-2000s

wage earners:	AR 1990 <sup>a</sup>	AR 2001 <sup>a</sup>	MX 1984	MX 1992	MX 1999	MX 2000
non agricultural	49 65 <sup>b</sup>	42 63 <sup>b</sup>	30 <sup>c</sup>	--	18 - 21 <sup>g</sup>	20 <sup>c</sup>
manufacturing	70 <sup>b</sup>	66 <sup>b</sup>	30 <sup>c</sup>	-- 22 <sup>d</sup> 50 <sup>1993e</sup>	-- 44 <sup>f</sup>	20 <sup>c</sup> 15 <sup>d</sup>

a household surveys; these figures are for Buenos Aires, unionization rates for all urban areas are very similar (Marshall & Groisman, 2005)

b in relation to wage earners entitled to unionize (registered at the social security system)

c Fairris & Levine (2004), based on household surveys

d Herrera & Melgoza (2003), based on household surveys

e Bensusán & Alcalde (2000), surveys to workers in manufacturing establishments

f survey to workers in manufacturing establishments, 1999

g based on population census 2000 for non agricultural wage earners; union membership at federal level (1999) in Bensusán & Alcalde (2000); union members at local jurisdictions estimated, respectively, to have remained at the 1978 level (Zazueta & de la Peña, 1984) – minimum estimate – or to have increased in 1978-99 as much as unionization at federal level did .

Source: Marshall & Groisman (2005); Fairris & Levine (2004); Herrera & Melgoza (2003); Bensusán & Alcalde (2000); Population Census 2000 (Mexico); INEGI, Encuesta Nacional a Trabajadores Manufactureros, 1999; Zazueta & de la Peña (1984).