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National Labor Strategies in Changing Environments: Perspectives from Mexico

Abstract

[Excerpt] This essay will look at the evolution of Mexican trade unions' strategies in response to changes in their political-economic environment over a period of nearly twenty-five years. The purpose of the essay is to determine which factors proved most important in shaping trade union responses to environmental changes over time, and to note how the recent economic opening and regional integration represented by NAFTA have thus far affected and are likely to affect in the future labor unions' capacity to respond to such challenges. The Mexican case is of special importance in the Latin American context due to the implementation of NAFTA, the rapid and extensive recent opening of the Mexican economy, and the likelihood that Mexico's relationship with the U.S. will sharpen the effects of free trade for Mexico relative to other countries in the hemisphere that engage in regional free trade agreements. For these reasons, what happens to Mexican trade unions under NAFTA will be closely watched by labor movements in the rest of the hemisphere.

This essay will disaggregate trade union strategies in Mexico in the recognition that multiple strategic currents have emerged over time and have often conflicted and competed with each other. Understanding what gives rise to these different currents, and why they succeed or fail under different economic and political environments, helps us to understand better both how strategic options emerge and what determines trade unions' capacity to choose among these options. These issues in turn can give us a better sense of what strategic choices trade unions may have available to them in a global environment which is largely recognized as hostile to labor unions.

Keywords

North American Free Trade Agreement, NAFTA, trade unions, Mexico, labor movement

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National Labor Strategies in Changing Environments: Perspectives from Mexico*

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Introduction

Trade unions throughout the world are facing important challenges as a result of the global trends toward trade liberalization and the internationalization of national economies. Heightened global competition has both undermined national labor movements' ability to negotiate with their governments a range of economic and social policy issues and reorganized the workplace, introducing new forms of work organization, new technology, and demands for new skills. The relatively recent movement toward regional economic integration represented by the North American Free Trade Agreement (NAFTA), the European Union, and MERCOSUR has accelerated many of these trends.

Yet, while national labor movements throughout these regions are facing similar economic pressures, they bring to this common set of challenges different historical experiences, different organizational structures and institutional arrangements, and different sets of political relationships. To what extent do these

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differences affect national labor movements' capacities for response to the challenges posed by regional economic integration and free trade? This question is significant not only because of the watershed that economic globalization represents for labor movements in a variety of political, economic, and institutional settings, but because it also asks whether more "successful" labor strategies for confronting economic integration and liberalization may be reproduced across national boundaries, and whether coordination of strategies across national borders is possible.

This essay will look at the evolution of Mexican trade unions' strategies in response to changes in their political-economic environment over a period of nearly twenty-five years. The purpose of the essay is to determine which factors proved most important in shaping trade union responses to environmental changes over time, and to note how the recent economic opening and regional integration represented by NAFTA have thus far affected and are likely to affect in the future labor unions' capacity to respond to such challenges. The Mexican case is of special importance in the Latin American context due to the implementation of NAFTA, the rapid and extensive recent opening of the Mexican economy, and the likelihood that Mexico's relationship with the U.S. will sharpen the effects of free trade for Mexico relative to other countries in the hemisphere that engage in regional free trade agreements. For these reasons, what happens to Mexican trade unions under NAFTA will be closely watched by labor movements in the rest of the hemisphere.

This essay will disaggregate trade union strategies in Mexico in the recognition that multiple strategic currents have emerged over time and have often conflicted and competed with each other. Understanding what gives rise to these different currents, and why they succeed or fail under different economic and political environments, helps us to understand better both how strategic options emerge and what determines trade unions' capacity to choose among these options. These issues in turn can give us a better sense of what strategic choices trade unions may have available to them in a global environment which is largely recognized as hostile to labor unions.

Determinants of Trade Union Strategies: Environment, Organizational Structure, and Politics

In this section I identify three clusters of factors that are likely to influence the kinds of strategies trade unions may adopt. The first is the political-economic environment, which refers to a set of background or contextual variables in response to which labor unions react. The second refers to a set of organizational/structural factors, which typically determine the range of strategic options available to labor unions. The third, political factors, also affect unions' range of options, but at the same time, politics tends to be more contingent and therefore permits a greater degree of voluntarism to enter into the determination of trade* union strategies than that suggested by the first and second categories. These clusters and the relationship among them are described in more detail below.

1) Context: The Political-Economic Environment

This set of factors refers to the political and economic background or context in which trade unions operate. Included in this category are the broad economic trends affecting a national environment and such factors as political regime and the range of state policies that affect labor. Thus, an authoritarian political regime may affect the development of trade union strategies differently than a democratic regime; an economic development model based on import-substitution, as opposed to one based on exports, is likely to present a different set of challenges and establish different parameters for trade union actions. For instance, a statist economy is likely to reinforce a "political" strategy among trade unions: that is, one that targets the state and attempts to shape national economic and social policy through the acquisition of political bargaining leverage and legislative influence. This is an environment and a strategy often associated with a national labor movement with a high degree of centralization: the presence of relatively strong national unions and peak confederal organizations. The contemporary trends toward internationalization and privatization of the economy, on the other hand, tend to undermine the traditional strategies of national labor organizations (Golden and Pontussen 1992). For political regimes that have relied on a corporatist social pact with labor, this crisis of national unions or peak confederal

organizations may also point to a deeper crisis of the regimes themselves.

The relationship between political-economic environment and labor strategies is an interactive one: through its actions labor can also shape the political and economic environment. The extent to which labor can successfully do so, however, depends on its bargaining power and degree of autonomy, and therefore on a combination of the other factors listed below.

One of the working assumptions in this discussion is that as national economies become more open, their economic environments tend to converge. Thus, recent trends toward globalization tend to generate similar pressures on national labor movements in different countries, whereas nationalistic economies experienced more distinctive sets of challenges that were strongly influenced by domestic political relations and institutions.

2) *Organization and Structure*

This cluster refers to two sets of factors: 1) the organizational structure of trade unions, and 2) their sectoral location. Organizational structure refers to a) the degree of centralization of a labor movement; b) the degree of fragmentation or concentration; and c) the intraorganizational dynamics of the unions; i.e., their degree of internal democracy or oligarchy.

In a comparative review of unions in advanced industrialized countries (Golden and Pontussen 1992), organizational variables appeared to offer an important explanation for differences in trade unions' strategic options and preferences, given similar economic pressures within and across countries. Especially important was consideration of the degree (and nature) of fragmentation or concentration and the degree of centralization of the labor movement. Organizational structure determines the range of strategic options available to unions and their capacity to choose among these options in order to respond to changes in the political economy. In this way, a high degree of centralization and concentration of the labor movement—that is, the presence of relatively strong national unions and peak confederal organizations—reinforces the pursuit of a strategy of "political exchange," the pursuit of political power via legislative means. This is so because such organizations are better equipped to deliver

wage restraint to political elites, a necessary element of the political bargain between labor and the state.

Trade unions in a fragmented labor movement, on the other hand, are more apt to exercise marketplace power through collective bargaining than political power through legislative means (Pontusson 1992:12). This is so because, in a fragmented labor movement, unions are not "encompassing" organizations and cannot as readily bargain with the state on behalf of a large constituency. A labor movement that exhibits a high degree of fragmentation, moreover, may be more given to competition among unions, which in turn tends to devolve political power to those union officials who are closer to the rank-and-file (Pontusson 1992:18). A higher degree of internal democracy would also tend to reinforce the bargaining strength of those unions that privilege a marketplace strategy.

One issue to examine is the extent to which economic developments such as privatization and trade liberalization affect union organizational structure. The effects of economic change on trade union structure may be especially significant to the extent that they generate greater fragmentation in the labor movement, which may in turn further undermine the strategies of national unions or confederations. At the same time, trade liberalization and regional economic integration may expand the range of strategic options by facilitating the adoption of "transnational" labor strategies for some unions.

Finally, sectoral location is also an important determinant of trade union strategy because it helps to define: a) bargaining strength and b) the target of union strategies (the state or private employer). Whether unions are located in private or nationalized industry, in the public sector, in services, in so-called "sunset" industries or in those likely to expand—all of these factors will shape the range of strategic options available to unions and the effectiveness of the choices they make.

3) *Political Factors*

The third cluster includes political factors. These include a) the influence of political parties and political currents; b) the unions' relationship with the state; and c) the ideology and actions of union leaders. Unions' ties to political parties are likely to

shape the kinds of strategies they pursue, especially if the link is with a party in power, or if the party is a key member of the political opposition. Similarly, the existence of political currents within trade unions can also affect trade union strategic capacity by generating internal competition, creating factionalism, and/or weakening unions' bargaining power. Second, unions' relationship with the state is an important determinant of trade union strategic options and choices. Here the key issue is the degree to which unions are autonomous from the state. This in turn may depend on some of the other variables we have mentioned: sectoral location, organizational structure, and political party identification. Autonomy from the state may also change over time, not only in relation to who is in power, but in relation to the extent to which the state actively intervenes in the labor arena. A final important factor in shaping strategic options and choices is what the union leadership believes and does. A union leadership that is strongly committed to supporting a particular government for political or ideological reasons is unlikely to undertake actions that would jeopardize this relationship, regardless of how effective a more militant strategy might be. Likewise, a leadership strongly committed to socialism in a capitalist economy would likely pursue strategies that may not be advisable on purely economic or organizational grounds.

Whereas many of the factors listed above primarily affect the range of strategic *options* unions may draw upon, some of the political variables will tend to affect the *choices* they make. For instance, while economic trends may undermine a particular union strategy, and structural factors may weaken a union's bargaining power, political factors—ideology, party identification, opposition to the regime, etc.—may prove more powerful in determining the kind of strategic choices unions make. In other words, a distinction should be drawn between options and choices. Moreover, choice is inherently risky; not all choices will be the most effective. Ideology, for instance, may lead to a particular strategy choice that is very ineffective or costly, given other structural and environmental considerations.

The rest of this essay will examine the role these factors play in the determination of trade union strategies in Mexico from 1970-1994. First, however, the next section will describe the organizational/structural and political characteristics of the

Mexican labor movement during the period known as "stabilizing development" in Mexico, in the two decades prior to the period I examine.

Changing Environments and Trade Union Strategies in Mexico

Stabilizing Development in Mexico: 1950-1970

The period known as that of "stabilizing development" in Mexico refers to the approximately two postwar decades in which Mexico experienced relatively high rates of economic growth, low inflation, industrial expansion, and urbanization. For labor unions, this was a period of unusual stability when compared with the generally conflictive thirties and forties, the decades during which national labor confederations were shaped, the Left was driven out of the major national industrial unions, and unions' ties to the PRI were forged.¹ The Mexican labor movement exhibited a high degree of centralization: the Confederation of Mexican Workers (CTM) was by far the largest and most important peak confederal organization. It enjoyed a close relationship with the PRI, comprising one of its three sectoral organizations (labor, peasant, and "popular" sectors). By the mid-1950s, most national industrial unions in key sectors (oil, railroads, mining, electricity) were also affiliated with the PRI. In the 1970s, eighty-five percent of the country's unionized population belonged to the Labor Congress, an umbrella labor organization formed in 1966 consisting of thirty-three confederations, federations, and national unions; all but three member unions belonged to the PRI (Zazueta and de la Pena 1984).² Although there had been important dissident movements within labor, especially in the late 1940s and again in the late 1950s, these movements had been defeated in favor of an "official" labor sector with close ties to the ruling party.

For a thorough analysis of the relations between the labor movement and the state in the decades following the Mexican Revolution, see the study by Middlebrook, forthcoming.

These were the telephone workers' union after 1976 (STRM), the electrical workers in the SME, and the nuclear industry workers in the SUTIN.

The hegemony of "official" labor organizations in this period, and particularly of the CTM, was aided by regular wage increases, steady improvements in benefits to organized workers, and direct subsidies from the state to official labor organizations. In addition, national industrial unions, the CTM, and other, smaller confederations associated with the party typically held positions in the National Executive Council of the PRI and became party senators and representatives in the federal and state legislatures. These national labor organizations pursued a "political" strategy during this period: they hoped to guard and to strengthen future bargaining power through the acquisition of political influence in government offices, in the party, and in congress. In exchange, national labor organizations and peak confederal organizations ensured wage restraint, political control, and political support for the President's actions and for the ruling party. In addition, organized labor saw itself as a partner of the regime in joint pursuit of revolutionary-nationalist objectives: the nationalization of key industries, extensive state involvement in the economy, a "welfare" state that took care of the poor and intervened in their behalf, a state in which the "popular" classes participated as coalition partners in defense of the regime against the private sector, foreign imperialists, the conservative Right and the radical Left. This ideology of revolutionary-nationalism involved a collection of beliefs, loyalties, and goals that defined the actions of much of the labor movement for many years.

The organizational centralization of the labor movement, its political strategy, and its identification with the regime were possible in large part because of the economic development path that Mexico pursued in this period. The policies associated with import-substitution industrialization (ISI), begun in the 1930s but pursued with greater rigor in the 1940s under Presidents Manuel Avila Camacho and Miguel Aleman, supported an alliance between organized labor and the state. ISI involved the expansion of domestic industry and greater state involvement in the economy, as well as significant benefits to the working class in terms of wages, benefits, and political influence, at least in its early phase. The alliance between labor and the state was further strengthened in the Mexican case in the wake of the 1910-17 Mexican Revolution. The struggle for power among competing factions that followed these turbulent years led the government to search out labor as an ally, first with President Calles and the CROM and

later with President Cardenas and the CTM. Thus, both political and economic developments in mid-century favored the national political strategy that organized labor pursued in Mexico. It was not until the 1970s that both the economic model and the hegemony of official labor organizations, together with their political strategy, would face strong challenges.

Labor Insurgency: 1970-1976³

The first half of this decade marked an important period of change for labor organizations in Mexico. The early 1970s also witnessed the first signs of crisis of Mexico's "stabilizing development" model. A recession in 1971 and again in 1973-74, during which inflation increased beyond its 1960s levels, were followed in 1976 by the first peso devaluation in twenty years. Rapid industrialization and urbanization between 1950 and 1970 had generated a new labor force, and the diversification of industrial production produced changes within factories that would form the basis for worker protests over the labor process (San Juan 1983:5)⁴

The early seventies was also period of democratic political opening, primarily in response to the political crisis of legitimacy brought on by the government's massacre of students at Tlatelolco in 1968. This political opening was reflected in the relatively greater tolerance for unarmed dissident and democratic movements in a number of areas, including labor. In this period, the administration of Luis Echeverría Alvarez (1970-76) granted official registry to new, independent unions, many of which had broken away from "official" labor confederations. The government also frequently took the side of workers in forcing employers to comply with the requirements of the new federal labor law.⁵ The government's tolerance of independent labor

³ Parts of the following two sections are drawn from Cook 1990a and 1991.

⁴ See Basurto 1983, Bizberg 1983, Camacho 1984, Saldívar 1982, and Trejo Delarbre 1984 for general accounts of independent and democratic movements in this period.

⁵ Registry was granted relatively freely to new unions by the Labor Ministry

movements reflected in part an effort to break the hold on power of some entrenched sectors of the labor bureaucracy, which were seen as obstacles to needed economic and political reform.

The political space created by Echeverria's democratic opening was a major factor in the expansion of labor insurgency between 1971-1974 (Camacho 1984:62-63).⁶ Other factors included the increased influence in the labor sector of political currents of the Left, many of which emerged soon after the 1968 student movement and included student activists and organizers who moved into factories, poor urban neighborhoods, and the countryside. These political activists fed upon the discontent that existed among rank-and-file workers with the lack of democracy within most unions and with the political control in favor of the ruling party exerted by "official" labor confederations. Thus, many of the movements in this early period of labor insurgency were not only struggles over wages and working conditions but over union democracy and autonomy from official labor organizations, the state, and the ruling party.

Movements for union democracy and autonomy from official confederations occurred in several important industries. In autos, for example, the restructuring of the industry in the late 1960s led to changes in work organization which sparked worker struggles over control of the labor process, wages, and representation (Middlebrook 1989). Several auto unions that had belonged to the CTM broke away in this period to join an independent labor federation, the Independent Workers' Unit

until 1974 . Moreover, in an effort to undermine the power of the CTM, many registries were granted to the CROC in this period. The new Federal Labor Law went into effect on May 1 1970, and expanded rights and benefits to unorganized workers. This law spurred workers in small and medium-sized industries to force their employers to meet the requirements of the law (see San Juan 1983; Basurto 1983:48).

A statement made by Echeverria during a congress of the Federation of Federal District Employees (CTM) was widely interpreted as both a sign that the regime would limit state intervention in the case of opposition movements within unions, and as a warning to official leaders: "How are we going to speak of democracy if in Mexico when union leaders are selected the process is not democratic?" (Camacho 1984:63).

(UOI). Other breakaways from parent unions or confederations occurred in mining, steel, textiles, and transportation, and in small to medium-sized firms among bakers, garment workers, textile workers, and furniture manufacturers (San Juan 1983). Locals of national unions in the parastatal and public sectors also erupted into conflict over the democratization of their unions: this was the case with the Union Movement of Railroad Workers (MSF), led by 1950s railroad strike leader Demetrio Vallejo, and with the telephone workers, postal workers, employees of the Federal District's treasury department, and workers in health and education. Unionization drives also took place among administrative and technical workers of the Mexican oil company (PEMEX), who tried to organize outside of the official oil workers' union; among clerical and manual workers at public universities, and later, among professors and bank workers. Between 1971 and 1976, one of Mexico's most important democratic union movements—the Democratic Tendency emerged from a conflict over the merger of the electrical workers' unions.

The Emergence of New Strategies

While the so-called "labor insurgency" spanned a range of industries and sectors, as noted above, two key and distinct "strategic currents" worth discussing emerged in this period. They differed from each other with respect to overall goals, tactics, political alliances, and to some degree, sectoral location. These currents are described more fully below.

a) Autonomy and Economism in "Modern" Industry. One of the most important trade union strategic currents to emerge in this period was distinguishable from other sectors of the labor movement, primarily the "official" corporatist sector, by its position of autonomy with respect to political parties and the state. Labor groups that followed this "autonomist" strategy rejected the political party linkages of the traditional corporatist sectors of labor, as well as organic links with all political parties. These groups further rejected a political role for labor, arguing that trade unions should restrict themselves to improving the wages and working conditions of workers. However, upholding an "apolitical" role for labor did not prevent the unions that pursued this strategy from engaging in movements to democratize their unions, in the belief that union democratization and/or independence from official labor organizations would enable

workers to follow a more militant strategy in pursuit of wage increases and improvements in working conditions.⁷ This was the case with many of the automobile unions in the early 1970s, sections of the miners and metalworkers union, and the telephone workers' union after 1976. The labor organization that best expressed this strategy was the Independent Labor Unit (UOI), an independent confederation formed in 1972 that organized unions in the auto, pharmaceutical, textile, rubber, and transportation industries during the early 1970s.

Labor organizations that followed this strategy were located in several different industries, but concentrated mostly in the more advanced industrial sectors, such as autos, steel, and telecommunications.⁸ The ownership of the companies and industries where these insurgent movements occurred and the organizational structure of the unions also varied considerably. The auto industry was dominated by foreign companies, such as Chrysler, General Motors, Ford, and Nissan. Mining, steel, and metalworking was a mixture of private and state ownership, and telecommunications, at least in TELMEX, was a parastatal. Auto unions were organized on a plant-by-plant basis and each union held title to its collective bargaining agreement. One union, the Telephone Workers' Union (STRM), organized workers at TELMEX. One large national union also existed in the mining, steel, and metalworking sector. In this sector, each local had its own contract but the national committee of the union was the legal agent. As a result, locals of this union were less free to disaffiliate, and the democratic locals continued to operate within the framework of a national union whose leadership was often hostile (Bizberg 1983). Nonetheless, there was limited bargaining autonomy for union locals, enabling some of the most combative ones to secure better conditions than their counterparts in the union.

Of the nine auto plants studied by Roxborough (1984), five of these were organized by militant and democratic unions. Of these five, two were organized by the CTM.

Enrique de la Garza has referred to these as the "stabilizing development" workers. See E. de la Garza Toledo 1991.

In spite of these dissident movements' "apolitical" stance, political groups were active in organizing the movements in several of these sectors. In the mining and metalworking union and the telephone workers' union, members of a Maoist political organization, *Linea Proletaria*, played an important role. Indeed, in 1978 members of this organization felt strong enough to make a bid for the national leadership of the miners' union (it failed) (Roxborough and Bizberg 1983:124-29). As with the UOI, this political organization opposed union participation in the PRI or in opposition political parties. *Linea Proletaria* was successful at organizing among workers for better working conditions; it was particularly effective at selecting and cultivating "organic" leaders from among the rank-and-file. *Linea Proletaria's* pragmatic strategies were well suited to the "particularistic and economic orientations" of rank-and-file workers (Bizberg 1983). *Linea Proletaria* was also influential in the telephone workers' union after a successful dissident rank-and-file bid for the leadership in 1976.

b) *Democratic Revolutionary-Nationalism*. Revolutionary-nationalism was one of the most important ideological and strategic currents in the history of Mexican trade unionism. The origins of this current are linked to the beginnings of Mexico's national industrial unions and major confederations and the nationalization of strategic industries during the 1930s under President Lázaro Cárdenas. Lombardo Toledano, one of the founders of the CTM, was the historical figure who best represented this tendency. In the thirties and early forties, Lombardo Toledano supported the idea of a unified labor movement that would ally with the nationalist elements in the state to free Mexico from imperialist domination. This vision coincided at different times with the Communist Party's popular front strategy of alliances in the thirties as well as with the more pro-government stance of a sector of the CTM leadership. Thus, some important "official" labor organizations (such as the CTM) as well as more militant and independent unions fell into this same general strategic category.

In the 1970s, unions and political tendencies that fell into this category shared a sense that the Mexican state (or certain sectors of it) were protectors of the ideals of the Mexican Revolution: strong state intervention in the economy,

nationalization of important industries, and strong protections for labor and the popular classes. Thus, labor and some political parties could strengthen the state's commitment to the nationalist project by allying with and exerting influence upon the nationalist elements in the state. The key difference between "radical" and traditional corporatist currents of this strategy was that the corporatist tendency still saw the PRI as the most important ally in the nationalist project. The "radical" tendency, on the other hand, tended to see the corporatists as too complacent, and felt that a strong revolutionary-nationalist pole had to be constructed outside of the PRI, incorporating opposition political parties and independent unions as well as nationalist currents within PRI unions.

The revolutionary-nationalist current was strongest among unions in the older, state-owned industries such as railroads, mining, electrical power generation, and oil. The radical version of this current could be found in some sector of the railroad workers' union, among electrical workers and later the nuclear power industry, and in the universities (de la Garza 1991). Again, the organizational structure of unions involved in this current varied considerably. Most of the classic revolutionary-nationalist current could be found in the large national industrial unions founded in the 1930s and 1940s. The more radical or democratic version tended to be concentrated in locals of some of these national unions (railroads), or in smaller unions among electrical workers (SUTERM, SME), and nuclear power (SUTIN), as well as in the university unions that were being formed during the 1970s. Most of these latter movements also shared a political connection with the Mexican Communist Party (PCM) or one of the Left organizations that joined with the PCM to form the PSUM in 1981.⁹

The radical revolutionary-nationalist current represented the most important sector of the independent labor movement in the early-to-mid seventies. In turn, one of the most important movements within this current was the Democratic Tendency. The Democratic Tendency originated with a conflict over the merger of two electrical industry unions, one democratic (the STERM) and

⁹ On the origins of the PSUM, see Carr 1987.

the other non-democratic (the SNESCRM). The electrical workers of the democratic STERM, headed by Rafael Galvan, organized national meetings in solidarity with the independent labor movement and managed to attract the support of students, other workers, and popular organizations. In 1975 the leaders of the democratic current were expelled from the new union that was the product of the merger (the SUTERM), unleashing another series of demonstrations.

The Democratic Tendency was behind several important initiatives in this period to develop a national alternative to official unionism. In 1975 it issued the "Declaration of Guadalajara", a program of the independent labor movement that called for democratic unions, the nationalization of strategic industries, greater state intervention in the economy, along with an increased role for workers in the state economy, and the creation of large single industry unions (de la Garza 1991). In 1976 several dozen organizations formed the National Front for Popular Action (FNAP) in support of the Democratic Tendency and adopted many of the principles set forth in the Guadalajara declaration. The Democratic Tendency and the FNAP managed to stage some of the largest demonstrations of the decade. But the FNAP did not succeed in gaining extensive labor support, nor even the support of the autonomist current, which represented the other strong pole within the independent labor movement. As a result, the FNAP quickly became ineffective, and faced with government repression, the Democratic Tendency fell apart in 1977. Repression was also a factor in the disappearance of some of the other movements supportive of this tendency, including the democratic movement of railroad workers and, in 1983, the SUTIN.

National Labor Response to Union Fragmentation

The labor insurgency of the early 1970s represented a direct threat to the monopoly of peak labor organizations, particularly the CTM. Although numerically small, the emergence of independent unions and the insurgency of labor organizations in this period was politically significant.¹⁰ The fact that the government encouraged the formation of independent unions and

Approximately 5% of the labor force made up this independent current (Basurto 1983:29).

dissident movements threatened the strategy of political exchange that national labor organizations—the traditional allies of the regime—engaged in with the state. Many independent unions had made greater economic gains during this period, leading several unions to disaffiliate from the less aggressive CTM and Labor Congress (Basurto 1983:94). Clearly unable to control rank-and-file workers within its member unions, the CTM's bargaining strength was undermined.

The CTM responded by radicalizing its demands—taking up some of the demands of the independent movement—and by threatening to mobilize its forces in order to pressure the government to respond (Bizberg 1983:336; Trejo Delarbre 1984:71). In 1973 the CTM and the CT raised the demands for an emergency wage increase and for the 40-hour week (with 56-hour pay) in an effort to regain legitimacy among rank and file workers and to preempt the independent labor movement (Basurto 1983:74-90; San Juan 1984:112.). These demands were accompanied by an increase in the number of strike petitions on behalf of the CT, accounting in part for the increase in the frequency and volume of strikes with respect to the previous administration, despite the fact that real minimum wages and benefits generally increased between 1968 and 1975.¹¹

The Echeverría administration had been playing off independent labor organizations against official unions, but it soon turned to the official labor sector in order to reinforce political legitimacy and to counterbalance the private sector.¹² By the end of Echeverría's term, the official sector was again being recognized as the main interlocutor for labor, mending the rift in the labor-state alliance. This was evidenced in the government's adoption of its wage claims and the creation, peaking in 1974, of a number of

¹¹ Basurto 1983:77, 79; Casar and Marquez 1983:250; Zapata 1986:111. For a study of wages throughout the period and a description of the changes within the Federal Labor Law affecting the minimum wage, see Casar and Marquez 1983.

¹²

This alliance would be strained, however, at various points during the remainder of the Echeverría administration and beyond. See Alvarez 1987:23; Basurto 1983:89; Camacho 1984:70; San Juan 1984:113.

federal labor welfare agencies, many of which were to be controlled by the official labor sector.¹³ Government support was transferred from independent unions back to official labor organizations, and the government stopped granting registries to independent unions after 1974.¹⁴ Selective repression of independent and democratic labor movements also began, and the CTM was given free rein in its campaign against the electrical workers' Democratic Tendency.¹⁵ Thus, raced with pressure from economic elites over the government's radical populism and its economic policies, the administration turned again to one of its key coalition partners, the organized labor movement, for political support. This change in attitude toward the official labor movement further bolstered this sector's reliance on a strategy of political bargaining.

The Legislative Strategy and the Broadening of Alliances: 1976-1982

The administration of President Jose Lopez Portillo (1976-1982) reversed the earlier economic policy of internal market expansion, and began to hold wages down as an inflation-fighting measure; real wages began their downward trend in this year (Casar 1982:35; Casar and Marquez 1983:252). The government was forced to rely on the official labor sector to contain wage

Basurto 1983:36-45; Casar and Marquez 1983:251. These included the National Tripartite Commission, created in May 1971; the National Wage Protection Mixed Committee, in April 1974; the Fund for the Guarantee and Promotion of Worker Consumption in May 1974; the National Labor Housing Fund Institute, the National Council to Promote Worker Culture and Recreation, the *Editorial Popular de los Trabajadores*, a publishing house; the Federal Law Office in Defense of Labor, and the Labor Bank, as well as a 1975 consumer protection law and labor-favoring modifications of the articles regulating profit-sharing in the Federal Labor Law.

Except to the UOI, whose leader was personally close to the Labor Secretary (San Juan 1983).

Alvarez 1987:26; Trejo Delarbre 1984:69. For information on the Democratic Tendency see, among others, Cuellar Vazquez 1986, Gomez Tagle 1976 and 1980, and Trejo Delarbre 1978.

demands. In 1977 the first of several wage ceilings was implemented under the "Alliance for Production," an agreement between the peak labor associations, the government, and the private sector to control prices and wages (Trejo Delarbre 1984:73.). In exchange, the government marginalized those independent unions that tried to break the wage ceilings during a 1977 strike wave, and intervened in labor conflicts against independent unions and opposition currents within unions.¹⁶ In the early 1970s, increased militancy among independent unions had led directly to wage increases that in some cases (automobiles and rubber) were higher than the national average.¹⁷ Under Lopez Portillo's application of wage ceilings, however, the efforts of many of the more independent unions to gain more for their workers were blocked despite militancy in some sectors (especially electricity, telephones, auto and steel) during this period (Bizberg 1984:174-77, 183-84).¹⁸ In contrast, "official" unions in private firms were able to move successfully against the wage ceilings in 1979 and 1980 (Bizberg 1984:184).

With the improvement of the economy in 1978 and the discovery of additional oil reserves, the official labor sector began to act more aggressively, seeking new strategies that would help it regain its bargaining power. Official labor did not initially resort to strike threats (until 1979-80), but rather sought out new arenas

Some sectors of labor were able to break through these ceilings. This was the case with the UOI-with unions in transnational companies. Electrical and petroleum workers were able to secure increased benefits rather than wage increases in their collective agreements during this period (San Juan 1984:117-18). See Bizberg 1984:172-79, for wage increases and responses to the wage ceilings in four different sectors: government employees, national industrial unions (parastatal firms), large national confederations (national private firms), and foreign private firms (UOI).

At the height of the Democratic Tendency, electrical workers also obtained a 69% wage increase (Bizberg 1984:178).

Whereas some UOI unions had been able to break through wage ceilings under Lopez Portillo, the real wages of workers in these unions (automobiles) fell at a faster rate than those of other industrial unions after 1977 (Bizberg 1984:179).

within institutional channels—the Labor Congress (CT) and the Chamber of Deputies in the legislature—to press its demands (San Juan 1984:115-16). Partly in response to the threat to official labor organizations posed by the legal registration of opposition political parties under the 1977 electoral reform and to the state's austerity policies, official and independent unions alike sought more flexible alliance strategies. For instance, the CT and CTM reiterated the need to include independent unions in the umbrella organization. For their part, independent unions also demonstrated a greater willingness to join the CT after 1977 (Bizberg 1984:186-87).²⁰

In 1978 the Labor Congress held its first national assembly since its founding in 1966, with the participation of several independent and democratic unions.²¹ At the CT assembly, the labor organizations, led by the CTM, developed economic proposals that called for reorienting production, improving the marketing and supply of basic foodstuffs, and nationalizing the banking, food, and pharmaceutical sectors (CTM 1978; Trejo Delarbre 1984:72). The proposals also called for state development of the "social sector"—an economic category consisting of state-owned and labor controlled industries that produced basic consumer items (San Juan 1984:115-16). In these documents and in the "Manifesto to the Nation," elaborated by PRI labor deputies in 1979, the official sector took up many of the principles

The Labor Congress was an umbrella labor organization formed in 1966, consisting of some thirty-three unions, confederations, and federations.

In 1979, several unions and federations joined the CT for the first time: the Union of Nuclear Industry Workers (SUTIN), the Federation of State Government, Municipal, and Decentralized Federal Office Workers; the Confederation of Workers and Peasants; the National Union of Social Security Workers; and the national union of INFONAVIT. The CT also supported the inclusion of the nuclear energy, bank, and university workers' unions in section A of the Federal Labor Law, a designation that would give these workers the right to strike, among other things. In 1978-79 the CT supported the telephone workers' union, the university unions, and the UOI in their labor conflicts.

Among the independent unions that attended the meeting were the university unions, the nuclear energy workers' union, and the bank workers.

and policy suggestions set out in the Democratic Tendency platform.²²

In addition to the strategy of broader alliances and greater unity within the CT, the official labor sector lobbied for increased influence in the government via an increase in the number of political appointments within the administration and the party (San Juan 1984:116). The official labor sector had strongly opposed a 1977 electoral reform that increased the presence of opposition political parties in the lower house of the legislature because it threatened to reduce the proportion of seats occupied by the PRI's labor bloc (Middlebrook 1986). However, labor succeeded in increasing the number of seats normally allotted to it within the Chamber of Deputies.²³ Many of the proposals by the labor bloc overlapped with those presented by opposition representatives of the Left coalition during the 1979-83 legislative session in the Chamber of Deputies, the first in which the Left political opposition could participate after the electoral reform.²⁴ Nonetheless, labor deputies preferred to abstain or walkout during voting on labor issues presented by the opposition rather than vote

For a study of the legislation proposed by the labor bloc in congress, and more on the "Manifiesto," see Casar 1982. Also see the document itself: CTM et al. 1979; parts are reprinted in *Excelsior*, Oct. 30, 1979. The manifesto issued demands for deep structural reforms of the economy, a radicalization of the agrarian reform, and a strengthening of the worker-peasant alliance with the state, as well as a series of constitutional reforms affecting labor.

On the 1977 political reform, see Middlebrook 1986. The proportion of seats in the federal Chamber of Deputies held by the labor sector during the 1979-1982 legislative session increased over that of the previous session. In 1976-79, labor deputies held 15.6% of the seats in the Chamber; in 1979-82, their share jumped to 29.3%. The proportion of labor deputies in the Chamber surpassed one-third only in the 1967-70 session (31.4%). Since then it declined steadily until 1979, the first legislature affected by the 1977 political reform (Reyna 1979:397, Zazueta and de la Pena 1984:274).

Many of the Left Coalition's initiatives, however, were merely sent to the "*congeladora*" (freezer): the congressional committees dominated by the PRI, in which opposition initiatives were blocked or "frozen." (Author's interviews with opposition deputies in the 1979-82 and 1982-85 legislatures during July-August 1983).

against their party or present labor legislation in the congress. In spite of the PRI labor bloc's refusal to admit common ground with opposition parties, official and independent unions within the Labor Congress shared the belief that a united labor movement could influence and redirect national economic and social policy.

The Emergence of New Groups

Toward the end of the 1970s, opposition movements emerged both within and outside of labor. Because of the new space opened by the political reform, political parties channeled their resources toward electoral participation, and municipal elections became a focus of opposition organizing. Independent *campesino* and urban neighborhood organizations expanded, forming national networks (Prieto 1986). Budget cutbacks in the public sector and industrial restructuring raised new issues around which workers organized.²⁶ Labor organizers moved into new areas—the organization of non-unionized wage earners and the democratization of official organizations, especially in the public sector (Ravelo Blancas 1983; San Juan 1984:118-20).

Dissident movements within the public sector faced tremendous odds. Legal restrictions on strikes, centrally-determined working conditions, and the fact that the government was also the employer converged to restrict expressions of dissent. Dissident groups could not form new unions, as in the private sector, because Mexican authorities only recognized one union per government agency. Thus, dissident groups frequently worked to

²⁵ Casar 1982; San Juan 1984:116; Trejo Delarbre 1984:72. Casar mentions that there was much similarity between the proposals of the leftist coalition in congress, and those included in the labor bloc's manifesto. However, agreement on issues did not lead automatically to votes for the socialists' proposals, as labor deputies preferred to abstain or walkout during voting on labor issues presented by the opposition (my interviews in July/August 1983 with opposition deputies in the 1979-1982 and 1982-1985 legislatures).

Workers in industry and in some parts of the service sector (i.e., communications) faced new problems related to the labor process, work conditions, and employment. Similarly, in public administration, decentralization and the reclassification of workers threatened to reduce benefits, undermine seniority, and increase work loads and unemployment.

democratize their local union governments, hoping in this way to "conquer" the national leadership of the union from within.

Most public sector unions belonged to the Federation of Unions of State Employees (FSTSE), linked in turn to the National Confederation of Popular Organizations (CNOP) of the PRI. Through these organizations public sector unions played an important role in the political system via their support of the party and of government policies. This was especially true of the national teachers' union, whose membership comprised over half of the FSTSE, and whose logistical support during elections was perhaps greater than that of any other union. Consequently, dissident movements within this sector threatened political stability and challenged government austerity policies in a period of economic crisis.

One of the largest and most important insurgent movements in the public sector was represented by the National Coordinating Committee of Workers in Education (CNTE), an organization of dissident members and democratic locals within Latin America's largest union, the National Union of Workers in Education (the teachers' union). Teachers' union dissidents formed the CNTE in 1979 to push for improvements in working and economic conditions and for the democratization of the union, which belonged to the PRI and had close ties to the government. The CNTE managed to mobilize broad sectors of the union and it also spearheaded several working-class and popular initiatives against austerity and repression in the early 1980s.

The CNTE reflected another version of the "autonomist" strategy mentioned above, in that it also sought autonomy from political parties and the state, even though a number of political party organizations and currents operated within the movement. In addition, the CNTE's political strategy envisioned a broader national project and saw other labor and popular allies as important in bringing about political and economic change. It held national political democracy and union democracy to be linked, and saw these as important goals for labor unions and popular organizations to pursue. Unlike the revolutionary-nationalist current, proponents of this strategy tended to reject alliances with sectors of the state, seeing the state as the primary enemy of the working class. Although the CNTE survived as a force within the union

throughout the decade, its influence was largely restricted to the few locals it had managed to control. In 1989, however, the CNTE formed part of a massive rank-and-file mobilization for higher wages and union democracy, which ended successfully in the removal of the union boss who had been in power for seventeen years (Cook 1990b; forthcoming).

In sum, official union strategies after 1970 could be understood largely in terms of union efforts to preserve their privileged status with the state *vis-a-vis* other organizations. Strikes were threatened, but rarely carried out, not during periods of economic recession but mostly in response to the competition introduced by the formation of new organizations within and outside of existing unions, and that competed with official labor in representing workers and in obtaining recognition from the state. The official unions' moderation of their wage claims, their efforts to suggest alternative policy directions, their constant lobbying for a greater number of positions in congress, the party, and government, and their focus on electoral participation and support, represented efforts to secure long-term over short-term interests; in particular, to maintain or expand their political power for future bargaining.

The 1980s: Economic Crisis and the Narrowing of Strategic Options

The early 1980s marked the beginning of a severe economic crisis in Mexico that would last the remainder of the decade. The oil boom came to an end with a major recession in 1980-1981 (Alvarez 1987:54). In 1982 average annual inflation jumped to 58.9% from 27.9% the previous year, which was unusually high by Mexican standards of the time; the peso was devalued in February and August, and economic growth was negative.²⁷ President Lopez Portillo responded to a flurry of capital flight with the nationalization of the banks in September 1982. This dramatic and controversial move was supported by much of the opposition on the left, but especially by the popular sectors of the party, of which labor was the most important. The

Figures for inflation were taken from Casar and Marquez 1983:232. In 1983 inflation jumped to 104% (Bizberg 1984:168).

government's relationship with the private sector, however, was eroded to a point that rivaled that of Echevenia's six years earlier.

The administration of Miguel de la Madrid (1982-1988) was characterized by more public confrontation between the official labor sector and the regime.²⁸ The incoming President's primary concern was to address the economic crisis and to repair relations with the private sector. Among de la Madrid's first actions was to devise an economic program, the Immediate Program for Economic Reordering (PIRE), which called for, among other things, wage controls and the reduction or elimination of public consumption subsidies (Middlebrook 1989:293).²⁹ The CT responded to the program with its own set of proposals emphasizing defense of the worker as consumer rather than as producer, in an effort to increase or at least to preserve the worker's "indirect wage" (Zazueta and de la Pena 1983:118-19).³⁰ Another labor-employer pact was signed at the end of December, at the initiative of labor, in which the parties pledged to control prices and limit wage demands. However, the pact was broken soon after when the government authorized price increases in January 1983 (Zazueta and de la Pena 1985:61).

The hostile relations between the government and the CTM in particular helped to increase tensions within the CT. Other labor organizations long dissatisfied with the CTM's dominance of the CT began to seek out alliances with "friendly" factions within the de la Madrid government (Zazueta and de la Pena 1985:61). Likewise, sectors within government fostered divisions within the CT by playing off the major national confederations against each other (Alvarez 1987:122). The deliberate attempt to create divisions within the official labor movement by shifting subsidies and recognition to rivals of the CTM was evident in a number of

Disagreement over the selection of Lopez Portillo's successor was evident from the beginning as shown in the CTM's declaration that it was giving the new President "conditional support" (Zazueta and de la Pena 1983:115).

For details of the PIRE, see Zazueta and de la Pena 1985:57.

The details of the CT proposals can be found in "*Congreso del Trabajo, Solidaridad para el cambio*" in *lino mas uno*, December 15, 1982, p. 28.

government actions, including Labor Secretary Arsenio Farrell's statement that the rival CROC would become the "vanguard" of the labor sector, substantial government financial support to a CROC cooperatives project in 1984, and the implicit government approval of a breakaway of unions from the CTM to join the CROC in late 1983 (Zazueta and de la Peha 1985:63).³¹

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The anti-labor tone of the de la Madrid administration, the government's rapprochement with the private sector at the expense of organized labor, and its efforts to play favorites with the labor confederations were persistent themes of the de la Madrid government that became evident within the first six months. At the same time, the severity of the economic crisis, as well as the private sector's violation of the pacts, generated strong pressure for the labor organizations to demand wage increases. The CTM was forced to take action under these circumstances, in part to test its relationship with the new government. In April 1983 the government authorized a new set of price increases for basic consumer products (Zazueta and de la Pena 1985:62). The labor sector, led by the CTM, threatened to strike if contractual wage increases were not granted. Many of the unions within the CT, including the independent unions, joined the CTM strike call. The result in June 1983 was one of the largest strike waves in recent years, even though many CTM unions settled before striking.³² Increases of between 15 and 20% were granted in many cases, but the independent unions that had struck were hit hard—the university unions were forced to lift their strike and return to work without compensation, and the nuclear energy workers (SUTIN) were left jobless when the parastatal company closed in response to the union's efforts to return to work after the strike. The

³¹ The CROC cooperative project was funded by the Labor Ministry with 300 million pesos and included a projected employment of 4 million workers (Garavito Elias 1984:10).

³² See Rendon Corona 1984. Between 1,000 and 5,000 CTM unions went on strike, as well as the SUTIN, university unions, telephone and electrical workers, and the CNTE. Other important confederations and unions within the CT, such as the CROC, CROM, CRT, SNTE, and the President of the CT, rejected the strike action.

government had delivered a clear message that labor militance and unity would not be tolerated under the new administration.

After the summer 1983 strike wave, organized labor—both independent and official—went on the defensive. The CTM in particular moved away from the aggressive defense of the direct wage toward the defense of jobs and the indirect wage (Garavito Elias 1984:8-10).³³ To this end, the official labor sector began to push harder for the development of the social sector.³⁴ In response, Article 25 of the Constitution was reformed to include mention of the social sector, and the administration included the social sector in its new economic program, the National Program of Industrial Promotion and Foreign Trade (PRONAFICE) in July 1984. Another component of the official labor strategy was to try to cushion the impact of the economic crisis on workers through protective clauses in collective labor agreements, focusing primarily on the provision of a "basic needs package" within the agreements.³⁵

The decline of government-labor relations led again to a relative openness on the part of the CT toward independent unions, in the interest of developing greater bargaining power *vis-a-vis* the state (Zazueta and de la Peña 1985:61). The CT supported several of the more progressive unions within the organization during their respective conflicts—the Union of Nuclear Industry Workers (SUTIN), the Mexican Electrical Workers' Union (SME), and the

³³ Also see interviews with Whaley and Gershenson of the SUTIN, and with Domínguez of the FAT, in Concheiro and Rhi Sausi 1984:59.

³⁴ In July and August 1984, two major meetings were held on the social sector. A 21-point document presented by the CT to the Ministry of Labor in June 1984 emphasized a greater state role in the economy, price controls on basic consumer goods, and expansion of the social sector. The union organizations also channeled funds from the Labor Bank for the acquisition of consumer goods, to be distributed and sold at lower prices, and for the acquisition of "social" oriented businesses: refreshments, textiles, foodstuffs, and construction.

³⁵ See Zazueta and de la Peña 1985:63 for government programs aimed at addressing these concerns presented by the official labor sector.

Union of Telephone Workers' of the Mexican Republic (STRM), whose installations were occupied by the government in a 1984 strike. A 1984 Labor Movement Forum in Defense of Collective Agreements and Unions -organized by the SME included democratic unions that did not belong to the CT as well as national industrial unions. Within the CT, the SUTIN, SME, STRM, and the airline pilots' union, ASPA, formed a progressive column that pushed for new strategies in opposing the crippling effects of government economic and wage policy (Concheiro and Rhi Sausi 1984:64).

Organizations inside and out of the CT formed broad "fronts" in order to increase solidarity across sectors in demonstrations and meetings against austerity and against what they perceived as government attacks on unions and popular organizations. Among these fronts were the Pact of Union Unity and Solidarity (PAUSS), the National Front in Defense of the Wage and Against Austerity and the High Cost-of-Living (FNDESCAC), the National Coordinator of Unions (COSINA), and the National Worker Peasant Popular Assembly (ANOCPE). These organizations were initially active in demonstrations and marches but soon weakened, due in part to the conflicting pressures of pursuing particular organizational needs and a joint strategy at the same time.

The CTM also became more active in debates within the party, reacting to what it saw as a declining emphasis on the role of the popular sectors in the PRI. The labor organization argued in favor of strengthening the role of the sectors (labor, peasant, and popular) within the party. This debate came in the midst of pressures to reorganize the party to expand its appeal to individuals outside the sectors, in preparation for the July 1985 legislative elections. Among the demands of the CTM were that party candidates demonstrate a history of militancy and involvement in the sectors of the party, a response to the increasingly "technocratic" composition of party candidates, as well as to the declining support for the PRI at elections (Zazueta and de la Pefia 1985:65-66)^

See also CTM, *Comision Dictaminadora*, "La CTM y el PRI," April 15, 1984.

By 1985 the effects of the government's modernization policies were being felt in several areas of labor. Conflicts over the content of collective agreements became widespread in the auto, communications, and electrical industries (industries that had been directly affected by restructuring), the most notable case being that of the SME.³⁷ Unions in these sectors fought company efforts to remove hard-won clauses in collective agreements, while the companies introduced technological changes to increase productivity at less cost.³⁸ Unions that reacted with strikes often emerged from these far weaker than when they started. The strike began to emerge as a costly and ineffective response; more often than not its use facilitated employers' restructuring plans. Many parastatal companies were sold, leading to layoffs and the disappearance of union locals that had once been important centers of union independence and democracy. The government's reorganization of public administration also led to layoffs in July 1985, and to some resistance on the part of dissident sectors within unions, though from a very weak position. At the same time, conflict over decentralization and the imposition of the civil service career-track increased discontent within the public sector. Despite isolated attempts to resist these policies, their net effect was the immobilization of organized labor.

Under the de la Madrid administration, the official labor sector's moderation of its claims no longer guaranteed its former levels of political power. Labor's bargaining power had reached an all-time low. This marked a crisis in the traditional mechanisms used by the official labor sector in its negotiations with the state. The dramatic wage erosion suffered by labor under de la Madrid weakened the control exercised within unions over members, since union leaders were no longer able to "deliver the goods."

The SME had long been engaged in a battle to preserve the union under threats to liquidate the *Compania de Luz y Fuerza del Centro* and force the SME to join with the SUTERM, effectively forcing the SME to lose its collective agreement, among the oldest and most favorable to the workers. On the SME see *El Cotidiano* No. 22, 1988.

Those sectors where changes in the labor process were most comprehensive included automobiles and telecommunications, two sectors that contained relatively independent and militant unions.

However, the debilitating effects of the economic crisis on both official and independent sectors of labor also altered expectations of what it was possible to achieve during this period, limiting traditional expressions of labor militancy and complicating dissident groups' efforts to protest.

Among those sectors hardest hit by the industrial restructuring and economic crisis of the 1980s were the "independent" and democratic unions and locals that had been at the forefront of the democratic insurgency of the 1970s. By the end of the 1970s the automobile industry had shifted its production strategy from the domestic market to one oriented to export production. To this end, automobile manufacturers opened several new facilities in northern and central Mexico in the 1980s. Workers at these new plants were organized into unions affiliated with the CTM. The new collective contracts were very favorable to management. Wages at the new plants were also lower. New technologies and new forms of work organization that were being resisted by experienced workers at the older auto plants were introduced in these new plants, where the workforce was younger and less experienced. *

Manufacturers also sought to reverse the trend of union control over key aspects of the production process in the older plants. Important contract provisions were modified at the Dina-Renault plant in the mid-1980s (it was later closed) and at the Ford Cuautitlan plant in 1987, both democratic unions. Two other Ford plants were closed in 1983 and 1985, and the Cuautitlan plant was briefly closed in 1987 during a strike for wage increases and then reopened with 2500 rehired workers and new terms favorable to management (Middlebrook 1991, 1989:86, 92; Gutierrez Garza 1989:80-81; Garza and Mendez 1987: 385). A strike at the Nissan Cuernavaca plant in 1988 was declared "inexistent" by labor authorities, a judgment that by many accounts represented a highly creative application of Mexican labor law. Only a strike at the Volkswagen plant in Puebla in 1987 was successful.

Democratically-organized automobile unions were generally more militant than their non-democratic counterparts, and won greater union control over the production process and more favorable collective bargaining agreements. See Middlebrook 1989:85-86; Roxborough 1984; Middlebrook 1991.

Workers in the steel and mining industries were also very affected by industrial restructuring throughout the 1970s and 1980s. Restructuring in the 1970s, however, often had the effect of spurring rank-and-file challenges against incumbent leaders. For example, threatened layoffs of unionized temporary workers in 1971-72 led to a strike and democratic movement against the incumbent leadership in local 67 of *Fundidora de Monterrey*. In the 1980s similar restructuring pressures led to profoundly negative effects for unions. In 1986 approximately 14,000 workers at the *Fundidora de Monterrey* plant vigorously protested the proposed closure of the plant due to bankruptcy, only to lose their jobs (Rubio and Veloquio 1986). At Altos Hornos in Monclova, Coahuila, approximately 4,000 workers struck in 1989 protesting layoffs, substantive modifications of their collective bargaining agreement, and subcontracting. After two months on strike, however, they were forced to accept the company's initial proposal (Vazquez Rubio 1989). 12,900 workers at a second plant in Altos Hornos, local 147, also tried to resist company efforts to layoff 4500 workers and modify the collective bargaining agreement; they, too, were ultimately forced to accept a revised agreement. In these cases strikes proved ineffective in halting restructuring plans.

The unsuccessful strikes and labor contract modifications in auto and steel unions during the 1980s reflected the weakening of the "economicist" strategy. In the early 1970s the UOI had expanded its membership and successfully competed with organizations representing revolutionary-nationalist strategies as one of the most important labor strategies of the seventies. By the late 1970s, the UOI was on the defensive. The breakaway movements of the early 1970s had ended, and Lopez Portillo's imposition of wage ceilings made it more difficult for the UOI to win struggles over wages. Some of the unions within the UOI experienced unsuccessful strikes, and discontent with the organization led some key unions to disaffiliate. In addition, between 1981 and 1986 nearly 10,000 workers lost their jobs in the vehicle-manufacturing industry (Middlebrook 1991). By the mid-1980s the UOI, which had once had as many as 150,000 members, had largely disappeared (see Mendez et al 1990).

The economic crisis, the increasingly neoliberal direction of economic policy, and the anti-labor tone of the de la Madrid administration greatly reduced the bargaining power and room for

maneuver of all sectors of labor in the eighties. A final unified effort to stand up to the new administration's austerity policies fell apart in 1983. During the remainder of the eighties, the standard of living for millions of workers declined precipitously. Most labor organizations went on the defensive, trying merely to survive the wage decline, budget cuts, and massive restructuring of industry and public administration. Other sectors, in particular urban neighborhood organizations and students, took the lead in protesting their conditions. Eventually the deteriorating economy, the tragic 1985 earthquakes, continued electoral fraud, and the emergence of a political alternative during the 1988 elections threw the political system into crisis, seriously eroding the legitimacy of the "official" party and of the organizations that comprised its sectors.

The 1990s: Economic Opening and Political Crisis

The administration of President Carlos Salinas de Gortari (1988-1994) was marked by two important developments. First, the opening of the Mexican economy that had begun under de la Madrid in 1985 was accelerated. Under Salinas the change in Mexico's economic strategy from an inward-oriented economy to one oriented toward export production was consolidated, as the government undertook a series of important measures to facilitate foreign investment, liberalize trade, and reduce the state's role in the economy through an extensive privatization effort. Capping these measures was the approval of the North American Free Trade Agreement (NAFTA) by the legislatures of all three North American governments in late 1993. In contrast to the policy swings that marked the Echeverria, Lopez Portillo, and even the de la Madrid governments, economic changes under Salinas set Mexico well on the path of a more neoliberal model of development.

The second major development under this administration was the powerful political challenge posed by the center left opposition led by Cuauhtemoc Cardenas during the 1988 presidential elections. The appearance of this political threat to the PRI shaped many of the political developments that ensued. President Salinas pushed for a series of important reforms of the PRI, many of which directly threatened the power of the organized labor movement, one of the party's key sectoral organizations. At

the same time, the administration tried to cultivate ties with previously independent and autonomous social organizations in an effort to both undercut the political base of the new opposition party and to create new, revitalized social bases for the regime.

These developments in the political-economic environment had major implications for the labor movement. Many of the economic reforms that were implemented had the effect of further weakening the bargaining power of organized labor. Beginning in 1987, the CTM became a signatory to a series of "pacts" involving government, business, and rural organizations, and which pledged to fight inflation through limiting wage increases. Labor was a reluctant partner in this pact, which effectively took the power to negotiate wage increases away from labor organizations and placed the decision making over wages in the hands of the president's cabinet (Dresser 1994). While the pact has been credited with the dramatic lowering of the inflation rate from its 1987 levels, it has also been responsible for the continued decline in the real minimum wage.

In addition to wage controls, labor was affected by industrial restructuring, privatization, and layoffs which continued apace during these years. The increased competition that was a product of the opening of the economy led to the closing of a large number of small-to-medium sized domestic firms and in turn to a large number of layoffs, and high rates of unemployment and underemployment. Restructuring and privatization also frequently led to layoffs as factories, mines, and foundries eliminated workers in an effort to cut costs and become more efficient.

These developments clearly undermined labor's bargaining power at the national level and frequently at the subnational level as well. As in the previous decade, strikes were often ineffective weapons. The government, through the labor Ministry and the Labor Conciliation and Arbitration Boards, usually supported the employers in conflicts with labor. Workforce resistance to the imposition of more flexible forms of production was met in several high-profile instances with the closing of the plant in question, and the subsequent rehiring of the workforce under terms far more favorable to management (Middlebrook 1991, 1992; Garza and Mendez 1987; Nauman 1992). Tactics such as these clearly

undermined labor's ability to resist the introduction of more flexible arrangements.

The other effect of these policies was to undermine the political strategy of the national labor movement. This undermining was further extended by the administration's efforts to reorganize the party in a way that gave less power to sectoral organizations. Instead, the arena of negotiation moved to a more decentralized level: limited bargaining between unions and employers would occur at the level of the firm or at the site of production over the labor process itself, worker training, union participation in production decisions, etc., but only in those cases where the union accepted the basic outlines of labor flexibility and new production methods (de la Garza 1994). In those cases where unions attempted to resist the imposition of such measures, as noted above, the workers were often defeated.

Negotiations over production issues shifted bargaining authority from the national labor movement to local unions. The administration's encouragement of this development was made evident in its support of a new federation of unions. This new organization, called the Federation of Goods and Services Unions (FESEBES), was formed in 1990. Composed in part of unions in restructured services (telephones, airlines, electricity generation), the FESEBES tried to increase union participation in workplace changes and in determining standards of productivity and quality. The unions in this group had traditionally been considered more democratic than those in the "official" sector, and they were not formally affiliated with any political party, although in practice some of these unions—in particular the SME and the telephone workers' union—moved closer to the PRI than had previously been the case. It should also be noted that most of the unions involved in the FESEBES were those that had constituted the "progressive column" within the Labor Congress in the mid-1980s.

The CTM saw the emergence of this new federation as a direct threat to its hegemony over the labor movement and its privileged role as interlocutor with the state. The government's encouragement of this competition within the labor movement was reminiscent of similar efforts in the early 1980s, when de la Madrid played off the major labor confederations against each other. However, the FESEBES was initially more threatening

because its member unions espoused a new, more "depoliticized" and decentralized form of bargaining that appeared more consistent with Mexico's new economic model, whereas the CROC in 1983 was simply a more complacent version of the CTM.

In contrast perhaps with the late 1970s and early 1980s, the CTM had difficulty navigating these new seas. For many observers the CTM and other official labor confederations were clearly an anachronism, a holdover from an already antiquated nationalist development model and an authoritarian corporatist political regime. Both the economic modernization and the democratization of the country required the disappearance of corporatist unions that relied primarily on political bargaining, had lost touch with the rank-and-file, and were better known for their ability to contain worker demands than to negotiate at the workplace.

Nonetheless, throughout the Salinas period, but especially as the presidential succession neared, the CTM was able to reassert its role as an economically and politically important social actor. The support of the official labor movement became important to the regime in sustaining its policy of wage restraint, in backing President Salinas on NAFTA, and in supporting the PRI and the President's decision on his successor. The official labor movement was still capable of bargaining during this period, in spite of important restrictions with respect to previous years. Persistent lobbying by the labor movement succeeded in stalling extensive reorganization of the PRI and reform of the Federal Labor Law, two vitally important areas in which labor stood to lose a great deal. Meanwhile, the promise of the FESEBES appeared to fade toward the end of Salinas's term, as serious differences among member unions began to emerge and the presidential succession forced the government to seek a rapprochement with the CTM at the new federations' expense. In fact, the perception by other labor groups that the FESEBES lacked autonomy *vis-a-vis* the government weakened its chances of becoming an effective alternative interlocutor for the labor movement.

In sum, trends in the early 1990s strongly undermined both "official" and "independent" labor movement strategies. The economic opening, privatization, and industrial restructuring rendered unviable the revolutionary-nationalist current of the labor

movement, which rested on its support for state involvement in the economy and the nationalization of key industries. Even Cardenas, who came closest to representing this current in the late 1980s, backed away from his earlier criticisms of Mexico's economic path. Privatization also affected the traditional strategies of national industrial unions because the locus of their negotiations shifted from the state to private employers. The effect was to decentralize and depoliticize bargaining. In those sectors where the state retained ownership, such as the oil industry, the once powerful union was "broken" early on, allowing the government to restructure the industry, layoff workers, and reshape the collective bargaining agreement with a much more complacent union leadership.

The wage controls, restructuring, privatization, and high unemployment had the effect as well of narrowing the range of strategic options of trade unions. The "official" labor movement represented by the CTM could do little more than try to contain the erosion of its power base and bank on its traditional importance to the authoritarian regime to do so. The unions involved in the FESEBES tried to emerge as an option to the CTM but were unable to do so at a national level. Their efforts led them to a closer identification with the regime—particularly, with the President—than any of these previously "independent" and "militant" unions had enjoyed before. The close relationship with and dependence on the executive limited the kinds of strategies and alliances that these unions could pursue. Meanwhile, democratic struggles within unions, in response to workplace changes and low wages, were frequently unsuccessful. The labor movement was a particularly harsh environment for the PRD, in spite of the widespread support for Cardenas that had evidently come from rank-and-file workers in 1988. The government intervened harshly in the oil workers' union, whose leader had expressed sympathy for Cardenas in 1988, and other signs of sympathy for the left opposition were quickly and often violently repressed by the CTM and the government. In contrast with the Echeverria period, then, there was little regime tolerance for labor autonomy and alternative political positions in the labor movement. Ironically, even though formal ties between labor unions and the official party had been broken, unions were not being permitted to form alternative ties to other political parties. The early 1990s thus signaled a crisis of strategies for all sectors of the Mexican labor movement.

Free Trade and Economic Integration: Implications for Trade Union Strategies

The processes of economic restructuring and trade liberalization affected the traditional arenas in which trade unions had carried out their strategies. The internationalization of the Mexican economy and the tendency toward decentralization of bargaining that resulted from privatization ate away at the political strategy of peak confederal organizations such as the CTM. The opening of the Mexican economy meant that the state could no longer command the same degree of control over domestic economic and social policy; the factors that affected these policies had shifted from the domestic arena to the international arena. Similarly, the shift in economic development strategy granted the export-oriented private sector in Mexico a greater degree of influence and bargaining power relative to other social actors. Thus, the days in which the state allied with labor to offset the private sector were unlikely to return anytime soon.

Meanwhile, the privatization of large nationalized industries also undercut the role and influence of national unions and shifted the locus of their bargaining from the state to private employers. This decentralization of bargaining meant that workplace issues and nonwage bargaining would become more important. The emphasis on labor flexibility and improved productivity also meant that rank-and-file workers would be more immediately affected by such changes. The focus on productivity required a better grasp of what was happening on the shop floor, and in theory at least, relied on the initiative and participation of the workers. This kind of workplace focus was not the specialty of large national unions or confederations such as the CTM.⁴⁰

While the national political arena appears more undermined as a strategic arena for trade unions, the Mexican regime nonetheless continued to rely on the political support of national labor organizations. This reliance on its traditional ally, organized labor, gave the labor movement some limited bargaining power even though on the whole its bargaining power had been greatly reduced. National labor cooperation became important for

E. de la Garza develops this argument in E. de la Garza 1994.

carrying out the policy of continuous wage restraint after 1987, for Salinas's external image in negotiating the NAFTA, and for the stability of the political succession in 1993-94. National labor organizations also remained important in controlling labor conflict and ensuring that the political opposition did not make inroads into unions where worker dissatisfaction was high.

Thus, where long-range economic trends appeared to point to the erosion of a national political strategy for labor, the regime's continued reliance on wage restraint and political control of labor tended to support labor's political strategy. The concessions for labor support at the national level were the halting of major structural reform of the ruling party and reform of the Federal Labor Law. At the same time, the CTM regained its position as key interlocutor for labor with the state while the political importance of the FESEBES declined. These developments point to a contradictory relationship between national organized labor and the state: the relationship is undermined by some economic trends (privatization, internationalization, focus on productivity and competitiveness) but reinforced by others that remain of special importance to an authoritarian regime in a developing country (wage restraint, political control, support for the ruling party, etc.).

A second strategic arena that has become more important with economic restructuring and trade liberalization is at the level of the firm or workplace. As noted above, changes in work reorganization, worker training, flexibility, and a new focus on improved productivity are the consequences of industrial restructuring, privatization, and the streamlining of inefficient plants to become more competitive in a global economy. The idea here is that the old methods of workplace relations exemplified by paternalism, rigidity, and control become obstacles to the new methods necessary for improved competitiveness. What is needed, then, are workers who participate in production decisions, who are trainable, and who take the initiative in resolving problems; in short, what is needed is a different workplace and union culture from that generally represented by the CTM.

A few Mexican unions have risen to the challenge posed by changes in this area. Most of the unions in the FESEBES, for instance, had accepted more flexible workplace conditions through

their collective bargaining agreements, yet the unions retained an important role in the changes, serving on joint committees, gaining the right to receive information on company plans and the introduction of new technologies, etc. It was to encourage this line of union negotiation that the Salinas government supported the creation of the FESEBES and used it to wheedle the CTM into altering its practices. The unions in this strategic current are, theoretically, less political, more likely to use their power in the marketplace in order to pursue their goals through collective bargaining, rather than to pursue political power through legislative means or political bargaining with the state. At the same time, greater workplace participation is usually equated with a higher degree of democracy in the workplace and by extension, in the union. Therefore, unions that pursue this firm-level strategy successfully should be more internally democratic as well. In fact, those unions within the FESEBES were generally known for their greater degree of internal democracy than most national industrial unions or others affiliated with the CTM.

Yet, in spite of the emphasis on workplace productivity, worker participation, and work reorganization, few worksites in Mexico have adopted these practices in full. The maquiladora industry, for example, employs production methods such as work teams and quality circles, yet levels of participation and real worker initiative are low. This is an industry that has low rates of unionization relative to the rest of the manufacturing sector in Mexico, and where efforts to organize unions are frequently repressed. In this sector, quality circles and work teams coexist with the old, paternalistic forms of labor relations and with a unionism that emphasizes control of workers. In those plants that are unionized, the unions are often involved in recruiting the workforce, but rarely insert themselves in bargaining for the workers with the employer over such things as wages, working conditions, or production methods. A widespread phenomenon in the maquila industry and among small-to-medium sized firms throughout the country is the "protection contract," in which a contract is signed between a union and management without the knowledge of the workers (de la Garza 1994; Hualde 1994). This prevents workers from organizing a union among themselves later on, as only one union is recognized per plant and switching affiliation is politically very difficult. The likelihood, then, is that any kind of "new unionism" that involves bargaining over a range

of nonwage as well as more traditional issues, that calls for new forms of labor-management cooperation and of worker participation in production decisions, will remain relatively circumscribed in Mexico.

A third strategic arena that has emerged in recent years, a product of the increased internationalization of the economy and especially, of NAFTA, is the international or "transnational" arena.⁴¹ This is an arena that has arisen as a result of the efforts of some labor unions and citizens' organizations in Canada, the United States, and Mexico to campaign against NAFTA. The attempts to mount this "trilateral" campaign led to the formation of a number of cross-border coalitions that tried to educate and mobilize citizens against NAFTA and to lobby government officials, but especially the U.S. Congress, the site where NAFTA's future was to be decided. While on the whole Mexican trade unions supported the government's position on NAFTA, some groups did use this new transnational arena and their new allies in order to stir up the debate over NAFTA in the United States. This was the case in particular with the Authentic Labor Front (FAT), a relatively small non-governmental organization that had been active in organizing independent unions in the 1960s and 1970s. In 1991 the FAT was among several other civic organizations in Mexico that organized the Mexican Free Trade Action Network (RMALC), a coalition aimed to try to raise criticism of NAFTA and to promote an alternative, continental development model. The FAT/RMALC had good relations with U.S. and Canadian groups, and as a result, it was able to exert a disproportionate influence on the free trade debate among grassroots organizations in the U.S. and in the U.S. Congress. On several occasions, it drew the attention of Mexican government officials involved in NAFTA negotiations, although within the broader Mexican society it was relatively unknown.

Well before NAFTA, unions in Mexico and the U.S. had begun to seek each other out in response to the transnational strategies of their common multinational employers, although in a

On cross-border coalitions and transnational labor strategies, see: Brooks 1992; Browne, Sims and Barry 1994; Carr 1993; Cook 1994; Middlebrook 1992; Thorup 1991,1993; Witt 1992.

very limited way. For instance, some auto unions had already begun to communicate with their other North American counterparts in an early effort to lend solidarity around specific labor conflicts. In the late 1980s, the U.S. based Farm Labor Organizing Committee (FLOC) sought out its counterpart in Sinaloa, Mexico, in order to begin coordinating in their bargaining with their common employer, Campbell's Soup (Nauman 1993:14; Moody and McGinn 1992; Browne et al 1994: 48). Cross-border contacts among non-labor groups began to develop in the late 1980s around the presidential campaign of Cuauhtemoc Cardenas and in the immediate electoral aftermath of 1988. The debate surrounding NAFTA in the U.S. helped to create a broader awareness of the degree to which the economic futures of the two countries would become increasingly linked, with or without NAFTA. NAFTA served as a catalyst for citizen mobilization and organization around a process—regional economic integration—that had been occurring for some time.

The increased scrutiny of Mexican domestic practices regarding democracy, human rights, and labor rights that the NAFTA debate generated may have helped increase the bargaining leverage of some domestic groups in Mexico. Organizations such as the FAT have taken full advantage of these conditions in their organizing efforts along Mexico's northern border with the assistance of the United Electrical Workers and the Teamsters in the United States. Other, larger labor unions have also engaged in cross-border contacts with their U.S. and Canadian counterparts. The telephone workers' union signed a cooperative agreement with the communications unions in the U.S. and Canada, and the electrical workers in the SME have also met with their counterparts as well as with a range of other organizations in a series of "trilateral exchanges."⁴² Auto unions have participated in trilateral conferences and have developed ties with particular union locals in the United States (Middlebrook 1992; Moody and McGinn 1992). On the whole, however, these contacts involve unions that disagree with respect to their position on NAFTA; with the exception of the FAT, most Mexican unions supported NAFTA, whereas their international counterparts opposed it. This

Eisenstadt 1993; *Latin American Labor News*, Issue 5, 1992, p.7; SourceMex (University of New Mexico electronic mail news service), February 16, 1994.

disagreement made it difficult for U.S., Canadian, and Mexican unions to find common ground during the NAFTA debate. Since the NAFTA vote, some organizations have moved past that disagreement to exchange information, support, and begin to discuss possible common strategies.

In spite of the passage of NAFTA and the increased communication between U.S. and Mexican unions, many obstacles remain to unions adopting a transnational strategy. These have to do with economic, organizational, and political factors. First, Mexican unions perceive NAFTA's effects differently than U.S. or Canadian unions.⁴³ They believe, for instance, that NAFTA will generate a greater number of jobs for Mexican workers and that, over time, wages will increase. On the whole, then, they believe themselves to be the beneficiaries of free trade, whereas U.S. and Canadian workers see themselves as the losers. These differing views obviously make it difficult for unions to identify a common strategy that could benefit them all.

Mexican unions are very limited in pursuing a transnational strategy in organizational/structural terms as well. Organizational differences between U.S. and Mexican unions make it difficult to locate counterparts (Middlebrook 1992). For instance, in the auto sector Mexican unions are organized by plant. In the United States, one national union, the UAW, represents most autoworkers throughout the country. The lack of a similar national counterpart complicated any efforts by the UAW to seek cooperation with Mexican auto unions. The ability of Mexican unions' to pursue a transnational strategy also depends on the sector or industry where they are located; successful pursuit of a transnational strategy demands some market bargaining power within a particular industry as well. Thus, because of the expansion of the auto sector, the high levels of training and skill of its workers, and the presence of multinational employers, Mexican auto unions may have a better chance at incorporating a transnational strategy in their repertoire than unions in services or state-owned industries.

Discussion of the perceptions of Mexican unions on the NAFTA issue must be tempered by recognition that the debate over NAFTA in Mexico was quite limited and largely controlled by the government. On political restrictions on debate of NAFTA in Mexico, see Aguilar Zinser 1993.

Political factors are perhaps the most important in determining whether and which unions may follow a transnational strategy. That is, the nature of labor organizations' relationship with the state, and their degree of political autonomy, are important determinants. National unions deeply committed to a political exchange strategy *and* whose bargaining power is generally weakened by economic and labor market trends will be hard put to move into the transnational arena. On the other hand, a transnational strategy may be pursued by unions or labor organizations on the other end of the spectrum: those whose marketplace power is quite weak, so that they risk little and in fact, gain greater bargaining leverage, by appealing to the support of international allies. The first is the case of the CTM; the latter the case of the FAT. For unions in the middle, such as the telephone workers and the SME, their ability to use the transnational arena may depend on a combination of their bargaining strength in the marketplace and the degree of political autonomy they enjoy. For the telephone workers' union, which was trying to establish itself as an alternative to the CTM and the Labor Congress, granting greater privilege to a transnational strategy, in a context in which the regime strongly opposed such efforts, would have jeopardized the union's principal domestic concerns. Similarly with the SME, whose political autonomy was curbed by its reliance on President Salinas for protection in a context in which the parastatal power company was threatened with liquidation. On the other hand, auto unions which, while affiliated with the CTM, nonetheless retain a certain degree of bargaining autonomy at the plant level may be politically as well as structurally better suited to incorporate a transnational dimension as part of their bargaining strategy with employers, in spite of government and CTM threats against doing so. Overall, however, the transnational dimension was likely to remain a relatively small component of trade unions' strategic repertoire, and one mostly located at the local level rather than in national unions.

Conclusions

For much of the 1940s through the 1970s, the key elements that defined the strategies of the Mexican labor movement were based on the economic development path of import-substitution industrialization, a generally strong political alliance with the state through the ruling Institutional Revolutionary Party (PRI), and a

shared commitment of labor and political elites to the ideals of social justice, active state involvement in the economy, and nationalism in economic policy and politics. The tendency throughout much of this period was toward a greater degree of centralization in the labor movement, which was dominated both in terms of size and political influence by the CTM. The formation in 1966 of the umbrella Labor Congress was further evidence of this trend. These factors combined to reinforce a labor movement strategy of political exchange with the state, in which peak confederal organizations sought to strengthen their bargaining power through political influence in exchange for wage restraint, political control of the workforce, and political support of the regime.

This political strategy remained important through the 1970s, even though it suffered one of its strongest challenges in that decade. In the beginning of the 1970s, the combination of industrial change that directly affected workplace conditions, the first economic recession in many years, and the political developments in the wake of 1968 contributed to the emergence of what would be called the "labor insurgency" of the early 1970s. These developments gave rise to two distinct currents within the labor movement that emerged alongside of that of the "official" sector represented by the CTM and Labor Congress. The first involved a workplace-based militancy that rejected the political strategy and ties to the ruling party of the "official" sector through democratic rank-and-file challenges to incumbent leaderships and breakaways from official confederations. The second current was a more democratic and activist version of the revolutionary-nationalism embraced by the official labor movement. Both represented important challenges to the official labor movement, which responded by moving in the direction of its challengers: becoming more militant in its demands for all workers, fighting to expand its political influence in the party and the government, and trying to become more inclusive in its alliances with independent sectors of the labor movement. Rather than represent a departure from the official labor movement's traditional strategy, these measures could be interpreted as efforts to try to retain and strengthen labor's political strategy during a time of challenges from both the rank-and-file *and from the state itself*.

With the economic crisis of the 1980s, the political and economic environment became far harsher for all sectors of labor. Unable to deliver wage increases or other improvements to their membership, peak organizations like the CTM found their national political strategy undermined. An attempt to threaten the state with strike actions was thwarted by the government when it dealt differentially with official and independent labor groups in 1983, thus preempting the formation of broader alliances within the labor movement to protest the government's austerity policies. Nonetheless, the official labor sector found no successful alternative to its political strategy in this period, even though the strategy itself provided few gains for workers. However, independent union strategies were also in crisis. The more militant unions and locals in autos, steel, and mining, for instance, were put on the defensive as plants, mines, and foundries were closed, privatized, restructured and "streamlined." The crisis of Mexico's economic model pointed to a fundamental change in economic strategy, one that lessened the relevance of revolutionary-nationalism. In this way, some of the goals of the more independent and official sectors within this current that had been pursued in the 1970s found little resonance in government circles in the 1980s. In addition, the de la Madrid administration was far harsher on dissident labor movements and on unions attempting to strike. Thus, the costs of adopting militant labor strategies were far higher in the 1980s. The range of strategic options narrowed significantly in this period, driven largely by economic developments.

With the opening of the Mexican economy and the widespread privatization of state-owned firms and industries in the mid-to-late 1980s and 1990s, the economic and political environment remained difficult for those "independent" labor groups that remained. With the administration of Carlos Salinas de Gortari there also came a more concerted effort to break the political benefits and influence of the "official" labor sector, thus weakening even further the bases of its political strategy. One of the consequences of the state's efforts was the increased organizational fragmentation of the labor movement represented by the creation of the FESEBES. However, whereas in the 1970s greater fragmentation coincided with greater militancy, autonomy, and internal democracy, in the 1990s fragmentation meant less militancy and a great strain on internal democracy in those unions

with this tradition. While one characteristic of this period was greater formal autonomy between unions and the PRI, in fact some key and traditionally independent unions in the FESEBES (the telephone workers and the SME) moved closer to the PRI. Overall, trade unions exhibited less autonomy with respect to the state, with some unions demonstrating a particularly strong dependence on the President. Thus, even though the FESEBES was supposed to represent "non-political" unions that privileged a strategy of negotiation with employers in the arena of production, its member unions still looked to the state for political recognition, protection, and support.

Economic developments further eroded the political influence and political strategy of the national official labor movement. Decentralization weakened political bargaining and the internationalization of the economy rendered less influential labor's role in national policy making. At the same time, the government was forced to rely on labor cooperation to help manage the economic transition: peak labor organizations were key in the success of the wage restraint policy which operated during most of the Salinas administration, in backing the President on NAFTA, and in supporting the political system through the traditional presidential succession process, defending the regime against a growing number of critics, and in early 1994, against the threat of armed rebellion. The latter period in particular of the Salinas administration consisted of mixed signals to the labor movement: economic trends appeared to undermine the long-term viability of official labor's political strategy, yet the emerging political crisis led state elites to send encouraging signals to this sector. Labor leaders spotted their opportunity to regain some influence after the assassination of Luis Donaldo Colosio, the PRI presidential candidate hand-picked by Salinas, when infighting over Colosio's replacement became unusually open. Nonetheless, together with other sectors, labor again closed ranks around the new candidate.

Given the uncertainty of Mexico's political future, it is unclear at this time what the Mexican labor movement's strategic options are in the short-to-medium term. On the one hand, economic trends would appear to render increasingly ineffective traditional political bargaining strategies and organizational centralization in favor of a more decentralized, market-based

bargaining strategy and greater fragmentation of the labor movement. On the other hand, the circumstances of Mexico's authoritarian regime and of its status as an economically weaker partner in North American regional integration tend to support the continuity of the labor movement's strategy of political bargaining at a national level, and of wage restraint and worker control at the level of the workplace.

Whether one position will win out over another, or whether these positions will continue to co-exist uneasily, as they do now, will depend on three factors: 1) the kinds of industrial and sectoral changes that trade liberalization and further restructuring will produce (i.e., will the labor relations model of "unilateral flexibility" or "negotiated bilateral flexibility" prevail in Mexico? [de la Garza 1993, 1994]); 2) Mexico's democratic prospects; and 3) the relationship between regime type and labor relations developments. Labor has played a key role in supporting Mexico's authoritarian regime and the hegemony of the PRI; a more democratic regime, in which presidential authority was more limited and in which the legislature took on greater political significance, might well signal the end of the "official" labor movement. Nonetheless, a more democratic and competitive regime could also conceivably revive the labor movement by incorporating it into decision making on national economic and social policy. This possibility is reinforced by moves in some Latin American countries to moderate elements of the classical array of neoliberal policies to address their high social and political costs. In this event, labor may be able to gain some of its former national political influence and authority under a different type of regime. On the other hand, a more democratic regime, faced with strong international and domestic (export-oriented) private sector pressures to maintain an open economy, could still rely on traditional methods of labor control, flexibility, and low wages in much of the manufacturing sector, while unionization rates continued to fall. This latter possibility would indicate that regime type is relatively unimportant in determining organized labor's prospects in the face of overwhelming economic pressures.

At present, national political factors remain important determinants of trade union strategies in the Mexican case, in spite of (and perhaps because of) globalization and the restructuring of the economy. This preliminary examination of trade union

strategies in Mexico invites comparison with other Latin American cases, especially as they undergo similar economic experiences. For example, distinctive national political conditions in each country may indicate the existence of a variety of trade union responses to economic opening and restructuring. Or, on the contrary, a comparison of Latin American labor movements may show that national political conditions are less important in determining the strategic choices that unions adopt, and that similar economic conditions greatly narrow the range of trade unions' options throughout the region regardless of regime type or of labor's political orientation. A better understanding of the relative weight of economic, political, and organizational factors in shaping trade union strategies in each country will inform our sense of the strategic options available to labor movements in this hemisphere as they confront the new economic environment.

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