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Uruguay's Labor Movement in Disarray

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After a half century of monolithic unity that allowed Uruguay's only trade union federation, the Plenario Intersindical de Trabajadores-Convención Nacional de Trabajadores (PIT-CNT), to emerge intact from the 12-year (1973-1985) dictatorship, a fissure has opened in the labor organization. Along with certain practices, which were not supported by the country's union history or by the majority of its the rank and file, that arose in some of the smaller unions, an alliance of those same groups is now fomenting the confrontation between salaried workers and the Frente Amplio (FA) government, dragging with it the entire union movement.

On March 1, when President José Mujica, the second-consecutive FA president, took office, he was backed by a number of parties and groups in which, although not officially and without formally becoming part of the administration structure, the federation was always one of the administration's pillars.

However, in the seven months between Mujica's swearing-in and Oct. 7, the PIT-CNT has called four half-day work shutdowns and a 24-hour general strike that have managed to damage the image of the government at home and abroad. Beyond the federation's incoherent attitude that Uruguayans still do not understand—which explains why the Oct. 7 work stoppage did not have the massive support of most previous strikes in the country's history—the government has obviously been shaken by the situation.

On Oct. 28 a new and powerful warning light went off when it became known that four multinational automotive and food companies—two Japanese, one Chinese, and one Mexican—said that, if the present level of conflict continues, they will pull their installations out and transfer them to another country in the region.

History of labor movement in Uruguay

A little history helps explain the situation. The Uruguayan labor movement emerged in the early 1900s, with the arrival of new ideas brought by European anarchist and socialist immigrants to the Río de la Plata. Although, as time went by, the major unions came to be led by militants of the Partido Comunista and Partido Socialista, with the new anarchists and a small social-Christian sector finding a home in some smaller unions, the federation never adopted a purely partisan stance. Ideologically, however, it was always part of what was commonly known as "the left" and had very precise positions, such as the unconditional defense of the Cuban Revolution, freedoms, and human rights in all countries; solidarity with those suffering political persecution from Latin American dictatorships; and an active participation in policies supporting integration, the environment, and natural resources.

Scholars point to two distinct threads in the labor movement. First is the leadership's enormous negotiating capacity with which it maintained its unity throughout the decades. (Uruguay is the only country where there has never been, in the last 50 years, more than one labor federation.) Second is having been able to balance the struggle to increase wages with the struggle to meet labor
demands. Defending wages and improving working conditions have been constants, without either overshadowing the other.

Until early in this century, federation leadership was basically in the hands of communists and socialists. Beginning in 2005, and especially in the state and municipal employees unions, some small but extremely active groups emerged that analysts identified as close to the Trotskyite factions.

Many scholars now observe that the sectors that managed to line up the PIT-CNT in a confrontation with the government—not wanted by the vast majority in the country—claimed to be promoting structural change, but their struggle is purely economicist. It does not go beyond activism in favor of salary increases and other conquests, important but sectoral (health plans, student scholarships, child-care centers).

For example, the Oct. 7 general strike was carried out to reject the government's proposed salary increase for state workers, whom private-sector workers envy because they can take such extreme measures without the risk that they will be docked pay for days not worked or lose their jobs since they are protected by "inamovilidad laboral" (job stability), which prevents their being fired except in extreme cases.

**Workers reject government offer**

The state workers forced the strike because they considered the government's proposal insufficient: a 24% wage increase and the guarantee that no worker can earn less than 14,000 pesos (some US$720) a month. The offer is part of the national budget (Presupuesto General de Gastos de la Nación), a law that anticipates state expenses for the administration's entire five-year term.

"In the face of the criticisms made by some compañeros, I must say that I don't know of any government that, like this one, triples the budget for education and establishes a 24% increase as a salary floor," said Richard Read, a long-time PIT-CNT leader.

Within the PIT-CNT, Read belongs to nonpartisan Articulación faction, which opposed the Oct. 7 strike but went along with it out of union discipline. "Besides going along with the strike, which we did not consider correct, we remained silent in the face of a tactical error that compromises all workers," read an Articulación public statement. "At this moment, a strike against the efforts of the government does not take into account the socioeconomic situation or the hopes of hundreds of thousands of workers."

For Articulación, the decision to carry out a strike was part of a serious error in looking at Uruguay's reality, "part of an erratic diagnosis that leads to taking erratic measures."

Read's faction said that one cannot ignore that "we have a government that can—and does—have contradictions but that moves forward in the direction of deepening the changes that began during the last administration [the first FA government, led by President Tabaré Vázquez (2005 to 2010)]. Given that reality, it is incomprehensible that four partial work-stoppages have been voted for, one of 24 hours, only seven months after [Mujica] took office and even more so if the actions did not have an ample consensus."

Articulación strongly defends the FA government. "First and foremost it is because a political force continues in the government that is not the same as those that governed historically. It is not [the
same] either in its history or its social composition or in the program it proposes for the country. Nor is it like earlier governments in its actions during these years and its concrete practice." For all these reasons, Articulación says that this government's direction is "fundamentally for change, its actions and presence are essential for advancement, for building a power bloc different from the traditional one, one that will lead Uruguay for a long time."

**Factions differ on role of federation**

As an impartial observer, it is difficult to understand how the leaders of state and municipal workers unions ended up getting the entire union movement to carry out an undesired measure against a government that, with all its defects, is defended by 72% of the population, according to an Interconsult poll released Nov. 2.

Articulación says, "The labor movement must be independent but not detached, which is to say that we will be critical when needed and we will point out what we consider the government's deficiencies and defects and wrong turns, but we will defend the conquests that, since the previous administration, have benefitted society as a whole—which are many and very important—and the labor movement in particular."

It refers, among other things, to: 1) re-establishing negotiations between workers and employers through the Consejos de Salarios, an agency in which the government acts as a mediator and that was not active during the years of the dictatorship; 2) allowing the occupation of work places as an extension of the right to strike; 3) giving union leaders special protections, meaning they cannot be fired or punished until two years after they have left their union office; 4) reducing the work day for municipal workers.

Within this context, a warning light was lit. The high conflictivity—"artificial conflictivity," said Rubén Villaverde, former director of the Instituto de Investigaciones Económicas of the PIT-CNT and expert in labor relations—the low productivity, and the lack of a qualified work force led Japanese multinationals Nissan and Yasakky, the Chinese Chery Automobile/Oferol, and Mexico's Bimbo to warn the government that if conditions do not change they will leave the country.

"The fact that four companies have approached the inner circles of the presidency to say that they are willing to leave is a sign that things are beginning to change seriously," said Villaverde after condemning "this new union model, economicist and decadent, that has come to punish Uruguay."

Beyond Villaverde's contradictory affirmations, on Nov. 1, workers occupied the principal Coca-Cola plant in Uruguay. Such an event involving a multinational company had not happened in 14 years. Although after 18 hours, Coca-Cola signed a salary-labor agreement with the union that the workers assembly said "is the best that has been signed in the history of the Sindicato de la Bebida," the brief episode was the best example of the elevated level of conflict that caused the four multinational companies to threaten to leave the country.

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