

A Brief Recent History of Venezuela's Labor Movement Re-Organizing Venezuelan Labor

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When Venezuelan President Hugo Chávez was elected in 1998, inaugurating a process of radical political and social changes, it looked as though labor might be left behind. The main labor central, the Confederation of Venezuelan Workers (CTV) was one of his most avid critics, and Chávez in turn lashed out verbally against the CTV on a regular basis. But the image of Chávez vs Labor, repeatedly thrown at the unsuspecting casual observer by the mainstream media, is precisely intended to mislead. The unpleasant truth is that the CTV has not adequately represented Venezuelan workers since the 1970s, if not before. The reality of Chávez vs the CTV, then, does not exclude the active and enthusiastic participation of a large proportion of Venezuelan workers in his Bolívarian revolution (named after Latin American Independence leader Simón Bolívar).

In an era of accelerated globalization all over the world, fed by the trail-blazing violence of American empire, Chávez' loud rejection of the neoliberal model is particularly resonant. And this rejection has proven to be more than mere rhetoric. In direct contradiction to the neoliberal play-book, Venezuela has begun experimenting with an alternative model of development based on an unapologetic prioritization of social welfare.

Fundamentally this process is about democracy, but not the way we in the North are used to thinking about it—in Venezuela the term has incorporated social and economic dimensions, as well as political. Popular participation means local planning councils that debate community budgets, but it also means a shift from production for the world market, to production for the Venezuelan people. Thus, a trend that has had Venezuela importing 70% of its food is slowly being reversed in the interest of 'food sovereignty'.

The phenomenon of participatory democracy has its manifestation in the labor movement as well. Progressive currents within organized labor have articulated their opposition to globalization and their alternative strategy of co-management and self-management of factories by workers. But while the identification of co-, and self-management as a part of an alternative to neoliberalism is an important first step, the democratization of the economy will eventually require a more detailed strategy that addresses control over production at a national level.

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As vice minister of Labor Ricardo Dorado noted recently, this does not imply that anyone in Venezuela has ceased to respect property rights, but rather the assertion that

they are not untouchable. According to Dorado, human rights should take precedence over property rights. Such logic is an important step towards the creation of what Dorado refers to as a ‘solidarity economy’—an economy oriented towards social investment, rather than exclusively towards profit. This requires the participation of the 50% of Venezuela’s workforce based in the informal sector, and of the 14% without work at all—both groups historically unaddressed by organized labor.

Labor in the Chávez Era

Three main factors caused the CTV to lose credibility with the rank & file throughout the nineties. The CTV was long perceived to be subordinated to the interests of the two traditional parties: the social-democratic *Acción Democrática* (AD) and the social-Christian *Copei*. The CTV’s complicity in the implementation of a neoliberal program in the 1990s was a product of this subordination of workers’ rights to clientelist politics. Finally, the CTV’s alliance with big-business beginning in 2001 and extending to the present was the last straw for many workers.

Giving voice to rising discontent among grassroots labor activists, the government forced the CTV to hold leadership elections by the base in 2001. This was the first such election in the federation’s history. But the elections backfired—abstention rates were between 50-70%, and there were so many reported irregularities and accusations of corruption, that the supreme court refused to recognize the results. Nonetheless, the alleged winner Carlos Ortega assumed the Presidency and began a determined campaign to overthrow Chávez, bringing the CTV into close alliance with some of Venezuela’s most reactionary sectors.

Rank & file workers and local progressive leaders sympathetic to Chávez’ movement, or simply fed-up with the CTV, called for the establishment of an alternative confederation, resulting in the 2003 formation of the National Union of Venezuelan Workers (UNT). Support for the break was due more than any other single factor to the intensified cooperation between the CTV and big-business. Between 2001 and 2003 the CTV and the country’s largest chamber of commerce federation *Fedecamaras* cooperated in four general strikes, including one in April 2002 which led to a military coup against Chávez with the active cooperation of both the CTV and *Fedecamaras*. The coup was overturned by massive popular mobilization 48-hours later. But perhaps the most effective of these general strikes was one held from December, 2002 to January, 2003 and widely reported to be an employers’ lock-out—yet strangely, one led by the CTV.

For the past year the UNT and CTV have fought head-to-head over the country’s unions, each claiming they are the representative federation, and no-one really knowing the truth. Part of the difficulty stems from the lack of any independently confirmed registry for either federation. There is a lot at stake in proving themselves to be representative, not the least of which is the coveted right to represent Venezuelan labor at

International Labor Organization (ILO) meetings. But more than merely a question of competition, the UNT represents a genuine threat to the CTV, advancing strategies in the

interests of working people, in direct conflict with the CTV's history of corporate unionism.

Building Organic Unions

Democratic unionism has been a contagious concept for Venezuelan workers, and the UNT has played an important role in promoting it. Over the past year and a half two main strategies have developed that are designed to initiate profound changes, both within labor organizations and factories. To increase their participation in unions, workers have begun pushing for regular, transparent elections. To increase their participation in factories, workers have been promoting the idea of co-, and self-management.

Many local unions have never held elections since their formation, and of those that have, their transparency is often extremely questionable. In many instances, these unions have had the same leadership for the last 30 or even 40 years. Many workers reveal that while their unions did hold occasional assemblies to discuss policies or to hold elections, the worker that openly criticized, or spoke out against the leadership often arrived at work the following day to find that he had been fired.

As a result, many workers are beginning to exercise their constitutional right to form parallel unions in a bid to replace the old union. Once the parallel unions have garnered sufficient support amongst the workers, the choice between the two unions is submitted to a referendum. The victorious union is the only one legally allowed to represent the workers in collective bargaining. Such referendums have begun occurring more frequently, with at least 9 union referenda already in 2004—all with the new unions winning, and almost always by astonishingly high margins.

These new unions have excited workers about their prospects for advancing much-needed improvements in working conditions, wages, health care, and vacations. Increased rank and file participation has given workers more say over what is placed on the bargaining table in the first place, instead of being limited to ratifying or rejecting a platform designed exclusively by the leadership. And both the new-union leadership and the rank and file are acutely aware of the precedent that the referenda have set: if the new unions fail to deliver, or return to the corporatist tactics of old, they can always be replaced in a new referendum.

Democratizing the factory is also on the agenda, largely as a result of bankruptcies caused by the CTV and *Fedecamaras'* general strikes and lock-outs. Supported by the UNT, which has adopted the slogan "No to globalization, Yes to worker-management," workers have occupied some of these factories, seeking to restart production under worker-management. An important example currently developing is the occupation of paper factory Venepal, after the company stopped production last

September. If Venepal workers maintain control over the factory and restart production, it will set an important example for workers in similar situations elsewhere in the country. A successful example of existing co-management in Venezuela would be an

important step in the development of an alternative economic and industrial strategy—with worker participation at its core.

Conclusion

The formation of the UNT and of the myriad new local unions replacing the CTV and their local partners represents a dynamic shift among Venezuelan workers from passive criticism of the old class-collaborationist policies to a truly new unionism that prioritizes democracy, and class-based politics.

The political discourse of these new unions and of the UNT is decidedly radical. They go far beyond bread and butter issues, including demands for pronounced political changes from the local grassroots level to the national, and the international. They argue that in the struggle against the neoliberal policies that have ravaged Venezuelan workers it is not enough to bargain for higher wages, or better benefits. Rather, a more profound struggle against neoliberal practices themselves are necessary, and this requires workers to take the fight to capitalism directly. Not merely inflamed rhetoric in a country whose President has publicly and consistently criticized the distorted logic of capitalism, the new unionism has spawned serious debates on possible alternatives.

Monday, Oct 18, 2004

Refounding Venezuelan Labor, Part I

Refounding Venezuelan Labor: One Union at a Time

Venezuelan workers are currently in the midst of a period of rapid changes, affecting the working environment from union to community, from factory to the state. At root for the workers involved are issues of control: over their unions, and over their factories. In part I of this series we examine the phenomena of union referenda that seek to democratize historically authoritarian—and often corrupt—local unions; part II addresses an embryonic ‘factory recovery’ movement at a crucial stage in its development. Later we hope to address the implications of the creation of the new labor central the National Union of Venezuelan Workers (UNT) from a historical perspective; and finally, to assess whether the UNT in fact represents a ‘new unionism’, and how it hopes to avoid the powerful structural and historical forces that eventually co-opted previous movements to refound organized labor in Venezuela.

The Legacy of Neglect

Particularly since the mid-1990s Venezuelan workers have been hit hard by privatizations, the increased mobility of companies eternally in search of lower costs, and

the myriad concessions forced on workers everywhere when they have been backed into a corner by the logic of neoliberalism. Reflecting what has recently become a global trend, the ratio of unionized to un-unionized workers in Venezuela is steadily shrinking as jobs are outsourced and sub-contracted out. And increasing unemployment has swelled the informal economy to the point that it now outweighs the formal sector. Given that at most 50% of Venezuelan workers are employed in the formal sector, and of these roughly 14% are organized in unions, the real number of unionized workers is actually quite small. Moreover, their steadily shrinking numbers and local organization has made them weak in the face of concentrated attacks by corporations (transnational and national alike) seeking ever greater flexibility from workers, and ever higher profit margins. Nevertheless, they still represent many of the most important industries including the state-owned oil industry, and are strategically located to play a potentially important role in change.

Three factors in particular have generally limited Venezuelan workers' fight against neoliberalism. First, the organization of unions on a factory basis, resulting in a universal lack of national unions, which has left them fragmented and without the necessary resources to weather long strikes. Second, a long, rooted tradition of corporate unionism, where union leaders rely on striking deals with political parties and employers' federations, which has led to corruption. Third, the existence of a bureaucratic union leadership that has alienated much of the base.

The combination of neoliberalism's concerted attacks and the utter failure of the traditional union leadership to stem the tide of concessions has left rank and file workers with little alternative but to start from scratch. Forming parallel unions, they are forced to fight a two-front war: against the company and against the old union, which are both threatened by their militancy. In this context workers were forced to radicalize their struggle in order to defend themselves. What started as a response to bread and butter issues, has in the end required a political solution. Workers are not satisfied with merely replacing the old leaders with new ones, who promise to give them a better collective agreement next time around. Their historical experience has taught them that the only guarantee they have to achieve their material goals is to enshrine their own participation in the new union structure. Thus, new unions are holding regular popular assemblies with the rank and file—a first for most workers. But more than that, the act of the referendum has shown workers that they hold the ultimate wild card over the leadership's head: represent us well, or follow your predecessors out the door.

A New Venezuela

Democracy has long been illusory in Venezuela. For the forty years prior to Hugo Chávez' election in 1998, two traditional parties shared power, and competed for control over the country's most important institutions. Inheriting an oil-economy from dictator Perez Jiménez in 1958, the social democratic *Acción Democrática* and the social-Christian *Copei* kept oil wealth circulating in elite circles, while feeding the country a powerful nationalist rhetoric of "sowing the oil".

Though it began as a progressive organization heavily engaged in the fight against the Jiménez dictatorship, the country's main labor federation, the Confederation of Venezuelan Workers (CTV), was quickly subordinated to party interests. With the advent of neoliberal government in the 1980s this cost the workers dearly. Although the CTV initially opposed the even more aggressive neoliberal legislation in 1989, this melted away by the mid-90's. They cut a deal with then-President Rafael Caldera, unleashing a barrage of reforms and privatizations that proved devastating to working people, and led the CTV further along the path towards their own destruction.

The nation-wide demand for change that swept Chávez to power in 1998 did not pass over the labor movement quietly. Existing criticisms multiplied and new ones were articulated by workers who were increasingly disenchanted with the lazy corruption of their supposed 'leaders'. The larger commitment to profound social change aimed at raising the standard of living of the 80% of Venezuela's population living below the poverty line inspired workers to join the process, putting labor reform on the agenda too.[1] And the Bolívarian revolution's foundation of participatory democracy, aimed at including previously marginalized sectors in the political processes of the country, has left a powerful impression that continues to develop.

The net result has been a dramatic split within the labor movement, with a large portion of unions and federations affiliated to the CTV now gone for good. In 2003 these unions formed the National Union of Venezuela Workers (UNT) and set up an interim leadership, which has become the national voice of a proposed new unionism. The UNT is still embryonic, and until their formal elections, tentatively scheduled for early 2005, they will continue to lack the internal structures essential for trade unionism. Furthermore, with their own democratic structure as yet undefined, they risk appearing hypocritical in their promotion of democratization at the level of local unions. But the broader transformations in Venezuelan society over the past 6 years have inspired workers to go far with relatively little, and their close ties to the government have ensured that a nascent UNT has nonetheless become a national player. While their position is complex, and raises questions of autonomy[2], the UNT has given key support to some important changes at the factory-level.

Workers' Rights, Human Rights: Coca-Cola Femsa

One of those changes is in the role workers play in their local unions. Venezuelan unions have historically been organized by factory, rather than by industry. Even within the same company, each plant has its own union. Thus, for each of Coca-Cola Femsa's eight bottling plants in Venezuela, there is a different union. Actually, in at least one case there are two. Fed up with the ineffectiveness of the old CTV-affiliated union, several activists at the Valencia-branch formed a parallel union, steadily gaining support until they challenged the established union.

Coca-Cola Femsa bottles, distributes, and sells Coca-Cola products (including beer, water, and other beverages) in Latin America with operations in Mexico, Central and South America. While Venezuela only represents 7.1% of total revenues (Mexico accounts for 66.7%), it is slightly more than Colombia's 6.5%. According to the international 'Campaign to Stop Killer Coke' (<http://www.killercoke.org/>), in Colombia that's enough for the company to be collaborating with paramilitaries responsible for the intimidation, torture and murder of trade-union activists.

"In Venezuela, they are not killing union leaders like in Colombia," notes José Cardenal, Secretary General of the new union at the company's Valencia, Venezuela branch. "But they have argued legally and judicially to drown those union leaders who are really fighting for workers' rights. They find a way to legally intimidate, threaten, pressure workers when they try to organize, or when they try to claim their legal rights."

Last May, after months of tireless organizing, Cardenal and other activists launched a parallel union that challenged the existing one in a factory-wide referendum. Administered by the Valencia office of the Labour Inspector, with representatives from both unions and the company in attendance, the new union won 301 votes to 234. Worker participation was over 80%.

"The workers at Coca-Cola Femsa have never had a dignified salary," explains Freddy Contreras, Secretary of Culture in the new union. "There are workers who work 8 hours at the factory, and at the end of their shift they go straight to work driving taxis, or in construction because the salary they get isn't dignified, it's not enough to live on."

According to Contreras, Coca-Cola Femsa workers could not count on the old union to advance their rights. "Before, any worker fighting for his rights quickly found himself on the street," he says angrily. "The old union leadership was corporate, they were allied to the company, they were bought by the company. Workers never felt they could open their mouths against the union, because they knew the union could have them fired. The company paid these union leaders' salaries, they gave them an office in the factory, they kept them in their pocket, away from the workers."

"We could see from the existing collective agreements that the union leadership had struck a deal with the bosses. Never for a moment did they fight for the ideal of a happy, content worker because his family can enjoy the benefits from his labor. No, they simply said 'the important thing is to bring something home to your family. It doesn't have to be much, just so long as you can bring something home to them every day.' We thought this way of thinking was inhuman. It was the perspective of the bosses, a perspective that strengthened the company and weakened the new workers movement."

In the few months since the new union's referendum victory in May, 2004 they have not yet been able to achieve many of the improvements in working conditions sought by workers. However, assembly-line worker Julio Llepés has noticed some small, but important changes. "Before the company owed us *Cesta* tickets [food stamps] and we weren't receiving them, but since the new union came in we have been." Llepés also

noted an increased openness in the new union, and felt confident that if he had any concerns with their leadership in future he could raise them without fear of repercussions.

Luis Ferrero has been working at Coca-Cola Femsa for seven years, since he was twenty years old. He notes that the new union took a tough position regarding food stamps owed to mechanics at the factory, not only forcing the company to begin paying them, but to pay them retroactively. Even more important, according to Ferrero, the new union has secured retroactive pay, covering the last four years for workers who have been forced to eat their lunch on the line.

In an important political victory, the new union has also successfully pressured the company to pay wages lost during the two months that Coca-Cola Femsa shut its doors during the December 2002-February 2003 general strike aimed at ousting Chávez. Workers were told they would be paid during the shutdown, but had not received those wages until now.

Political Solutions to Bread and Butter Issues: Voting Against Neoliberalism

Coca-Cola Femsa is just one of a growing number of factories where workers have begun fighting to retake their unions from corrupt leaders on excessively friendly terms with the employers. In 2000, Ford set the precedent, becoming the first factory in the region to have a union referendum. The new union won easily, fueling a growing movement to democratize local unions that has exploded in 2004. Over the past nine months, Venezuela's twin cities of Valencia and Maracay, where a large portion of the country's non-oil industry is concentrated, have witnessed eight union referenda, all with new unions coming out on top.

The exponential increase in union referenda and in the organization of parallel unions in 2004 owes a great deal to the role of the state. While the Ministry of Labor appears to have avoided taking sides in these disputes, a remarkable moratorium on lay-offs for lower-paid workers declared in April 2003 appears to have made all the difference. "The company could not fire the workers organizing new unions, and organizing the workers to start fighting for their rights because there is currently a moratorium on lay-offs," notes regional director of the UNT for Carabobo José Juaquin Barreto. "Thanks to the government, these workers had the breathing room they needed to organize the new union, hold the referendum, and now have some of the tools necessary to take the fight to the bargaining table and make some concrete gains."

The moratorium, which was recently extended by the Ministry of Labor for another six months, is a radical reversal for the transnational corporations that have multiplied their investments in Venezuela of late. Throughout the 1980's and 90's, the Venezuelan government moved away from its history of state-run enterprises, privatizing the country's steel and telecommunications sectors, the national airline, and all the country's port facilities, among others. Changes for workers in these factories went far beyond a change in management. The cult of efficiency and productivity saw the ratio of

employees to contract workers shrink rapidly, to the point where un-unionized contract workers now outnumber unionized employees in many cases.

Such tactics are not, of course, unique to recently privatized companies, but are rather part of a general neoliberal trend. In one particularly stark example, Colombian transnational *Interamericana del Cable* sought to cut labor costs in a Colombian market that has cable workers earning some of the highest industrial wages in the country. After buying recently bankrupt *Cable* from its previous owners in 2001, the new Colombian owners have increased productivity considerably, but predictably, they have done so at the expense of the factories employees.

“The new company, not surprisingly, came with the politics of erasing all the gains, all the benefits the workers had from before it changed hands,” notes the UNT’s Barreto. “As there was a marriage in this country between the CTV and ‘company-unions’, they had a professional union here that struck a deal with the new owners. Some workers were laid off, but many workers did not have to leave. They simply lost whatever seniority they had under the old owners and started fresh with the new company. The slate was wiped totally clean. So now some workers have 2 or 3 years seniority, but in reality they have been working 20 or 25 years at the same factory, producing the same product.”

Unorganized contract workers now outnumber organized employees at *InterAmericana del Cable* more than 2 to 1. In response, and protected by the moratorium on lay-offs, workers began organizing a new union committed to restoring workers rights. In early September, a new union successfully displaced the old CTV-affiliated union in referendum. Now the challenge is to deliver on their commitment to their members. “With the change of ownership, our working conditions changed as well. Today we have less than a quarter of the benefits we used to have under the previous owners,” says Secretary General of the new union Jesus Manuel Roa. “Higher productivity is fine with us,” adds his new Secretary of Culture and Propaganda Ramon Alvarado, “higher productivity is great, all we’re saying is that the benefits should be shared with the workers too.”

Democratic Unions, Accountable Unions

The UNT has played an important role in supporting local union referenda. Legal advice, and the knowledge gained from experiences in other local referenda passed on by UNT organizers have given isolated local activists a national context, and a national forum. The UNT has placed itself on the cutting edge of labor activism, which has gained them the support of some of Venezuelan labor’s most militant sectors. There is a history in Venezuela of leadership drifting from their members, but this democratization of local unions that the UNT has supported has now become a benchmark for the national organization as well.

Workers are conscious of the deep roots of the old-style unionism, and memories of the cooptation of previous movements to refound Venezuelan unions remain fresh. While the UNT has taken important positions defending the rights of working people

over the past year-and-a-half, it is no secret that many of these positions also benefited the confederation. Further, the confederation's close ties to the government ensure that the question of union autonomy will be hotly debated at the upcoming national congress, now tentatively scheduled for December. Representatives will certainly be looking for the national leadership to hold themselves to the same standards to which they have been holding local leadership. And they will likely seek to establish as many possible safeguards against a return to the old corporate unionism as possible. At any rate, the logic that is behind increasing participation at the local level can just as easily be applied at the national. And there is a strong parallel between workers' perceptions of old and new local unions, and the CTV and UNT.

Interviews with rank and file workers in the state of Carabobo revealed a common pattern: they were primarily concerned with improvements in their salaries, basic working conditions, and benefits such as health care and vacation-pay. While many workers were certainly conscious of the political implications of the action in which they had participated, the democratization of their union as such was primarily important in that it improved their degree of influence within the union.

Increased participation, regular assemblies in which workers feel free to speak publicly and even to criticize the union are important, not so much in terms of an abstract increase in the level of participation as they are in making the union leadership accountable to the base. This is as true for the national confederation as it is for local unions. As Freddy Salazar, a mechanic at Owens Illinois notes, "the new union has only been around for a few weeks, so it's a bit premature to be evaluating their achievements. What I can say is that the referendum was important because it showed us that we can also remove leaders that no longer represent us, not only add new ones...If the new union doesn't represent our interests, we know—and *they* know—that we can just have another referendum and replace them like we did the old union."

In the broader struggle to democratize Venezuelan society, to institutionalize economic and social equality, workers' control over factories is essential. Getting control over their unions is a necessary first-step. What role, if any, will these new unions play in promoting worker-control? Will it be limited to securing workers a cushy spot on managerial committees? Or will it go so far as to promote factory takeovers? What position will the government take? What will be the ideology behind this movement? In part two of this series we will address these questions with respect to an existing example of co-management in the state-run electric company Cadafe, and Venepal a private paper company recently occupied by workers.

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Notes

[1] It is worth noting that while many organized workers may not be among this 80%, they likely have extended family members who are unemployed, or precariously self-employed in the informal economy. Furthermore, whole communities, where the majority of the population live below the poverty line, often depend on the filter effect of having some good jobs in their community. Finally, while very little documentation actually exists, the informal economy is widely perceived to be dominated by women. This interrelationship between formal and informal workers has sometimes resulted in a powerful solidarity that transcends the factory. We return to this concept in our discussion of the Venepal factory take-over in Part II.

[2] The debate inside, and outside, of the UNT on what the nature of its relationship with government will be addressed later in the series.

Refounding Venezuelan Labor, Part II: Political Fault Lines in Venezuelan Labor

In May, 2003, in the wake of the crippling, though ultimately unsuccessful, oil strike/lock-out organized by the traditional Venezuelan labor central, the Confederation of Venezuelan Workers (CTV) and the largest chamber of commerce federation Fedecamaras, a large swath of Venezuelan workers gave up on their attempts to reform the CTV from within. At a jubilant gathering in the capital, Caracas, workers from nearly every sector of Venezuelan labor came together to form a new confederation, the National Union of Venezuelan Workers (UNT). They shared a common distaste for the CTV's alliance with big-business, with their feeble opposition to the neoliberal politics that ravaged workers throughout the 1980s and 90s, and many—though not all—of them shared a common belief in the project of Venezuelan President Hugo Chávez.

While it is not yet possible to tell exactly how representative either central is, the UNT has grown astonishingly fast in the first year-and-a-half of its existence. One way of estimating this momentum is to count the percentage of collective agreements signed with each confederation. According to the Ministry of Labor, 76.5% of collective agreements signed in 2003-04 were with unions affiliated with the UNT, and only 20.2% with the CTV. This is due in large part to the UNT's dominance of the public sector, for which official preference is certainly a factor. However, even in the private sector, the UNT represented 50.3% of all collective agreements signed in 2003-04, compared to the CTV's 45.2%.^[i]

Nonetheless, societies are not transformed over night with the declaration of a new stage, a new government, or a new union. Organized labor was a crucial foundation of Venezuela's old system, the 4th Republic (1958-1999), which was inaugurated in 1958 with the defeat of dictator Marcos Pérez Jiménez. The CTV has been allied to the social-democratic party *Acción Democrática* (AD) since their creation in the 1930s, and with the help of AD Presidents after 1958, the CTV became a hegemonic force in Venezuelan

labor. Though this alliance often benefited workers in the CTV materially, it undermined their collective power. And it all too often resulted in the prioritization of party agendas over workers' interests and workers' rights, tainting the CTV and the roots of Venezuelan trade unions.

Breaking with this past, even with the support of a progressive Venezuelan government, has required a self-conscious re-education on the part of labor leaders and the rank and file. To even get to the point where workers and shop stewards can imagine a different kind of unionism and a different kind of union is a drawn-out process; one that has required open debates, conflicts, and above all, a sense of history. Workers have had

to salvage a culture of struggle from the wreckage of CTV-lethargy, while simultaneously developing a new one from scratch.

Over the year-and-a-half of the UNT's existence some debates have turned into conflicts. A variety of factors end up informing union-leaders decisions, not all of them ideological. As in the old-unionism of the CTV, power and egos often influence decisions, and as with the old Venezuelan left, vicious sectarianism represents a very real barrier to unity. But the allure of the UNT, what has allowed it to present such a devastating challenge to the CTV in less than two years, is that these conflicts have not overshadowed crucial ideological debates. Below, we discuss three debates that are of integral importance, not only to the UNT, but to trade unions the world over. How can the new confederation balance cooperation with the government and union autonomy? How should the UNT balance the desire for comprehensive democracy and the immediate need to formalize organizational and administrative structures? How can local leaders adequately balance workers' interests with community interests', local and national issues? These debates are ongoing—the UNT has by no means reached a consensus. But the very presence of these debates represents the concrete advances of the UNT over the authoritarian past of organized labor in Venezuela.

Wresting Venezuelan labor from this “muck of ages” is not a clean process, and the UNT has suffered setbacks as well as achieved some very powerful victories. Scratching the surface of both advances and reversals reveals the critical process of rethinking and re-imagining that is gripping the trade union movement—the debates, elections, ruptures, splits, agreements, unifications—and it is clear that these setbacks and tangents are as necessary as they are cathartic.

In Part II of this series[ii] we examine the serious rifts within the UNT at the local and national levels, the ties between them, and the destructive and constructive effects of these divisions on the labor movement as an imagined whole. Though at times ugly and occasionally personal, the divisions discussed below shed light on the grit of the process of raising a new confederation out of the rubble of the old. Debates on democracy, union autonomy and the reconciliation between political and ‘bread-and-butter’ issues are building an open forum for discussion—and *dissent*—into the basic structure of the UNT.

Las Matanzas

At the entrance to the twin industrial cities of San Felix and Puerto Ordaz in South-Eastern Venezuela, visitor and resident alike are greeted by a sign that proclaims “World Class Business.” Matanzas, as the region around the twin-cities is known, is the heart of the mining state of Bolívar, a vast area bordered by the Atlantic Ocean to the East and the Amazon jungle to the South and West. Alongside the gold, iron, aluminum, and bauxite mines, stretch miles of processing plants.

Over the last two decades the sign has acquired a second meaning as both public and private companies—to differing degrees—have subscribed to the logic of neoliberal globalization. The mines and processing plants that have made the twin-cities one of the most important industrial centers in the continent have become part of a global class indeed. The result for the region’s workers—many of whom have emigrated from Venezuela’s central plains region—is a familiar series of humiliating reforms: outsourcing unionized jobs to un-unionized sub-contractors, the collapse of health and safety, privatization and, above all, lay-offs.

The region was once home to Venezuela’s most radical syndicalist movement, the *Matanceros*, who were a brief though very real threat to the dominance of the traditional corrupt unionism.[iii] But the ravages of neoliberalism during the 1980s and 90s forced even the region’s most obstinate unions to accept concessions.

Yet in Matanzas the labor movement has recently been rejuvenated. Last April steel workers at the giant Sidor steel plant (historically the epicenter of radical unionism in Matanzas) went on strike demanding, among other things, the nationalization of the plant. The strike ended disappointingly: shares in the company were won exclusively from the state corporation that owns 40.5% of the company, and not from the Argentinian, Mexican, and Brazilian consortium that owns the other 59.5%, as the workers had initially demanded. Nonetheless, the character of the strike revealed a recent re-politicization of workers’ struggles at Sidor, and the struggles of other workers elsewhere in the country suggest that the steel-workers are not alone (see *Venezuela Expropriates Venepal Paper Co.*, and *Refounding Venezuelan Labor*, Part I).

Contested Leaders

Forging a new union confederation has been something of a double-edged sword. It has provided an opening for personal ambition, and has occasionally lent itself to the base tactics of character assassination. Yet it has also created a historically unprecedented forum for the often fierce debate of strategy within the labor movement. At first glance, the leadership challenges in two Matanzas unions, discussed below, appear to be internal struggles of little relevance to the broader conflicts and debates swirling around the embryonic UNT. Yet these struggles also have a national character, and in many ways are characteristic of the ideological growing pains bubbling below the surface of the new confederation.

On October 15th, 2004, union leaders from the aluminum processing plant Alcasa had their two-year term cut in half. A controversial election—accompanied by all the rumors and violence that shadow Venezuelan political processes—temporarily succeeded in recalling Sitralcasa (the Alcasa union) Secretary-General Trino Silva and the rest of the leadership in a referendum bound to ricochet forcefully in the national ambit.

Only two months before, Venezuelan President Hugo Chávez had convincingly defeated a bid to recall him from office. Besides being a local dispute, the referendum at Sitralcasa differed from the August 15 nation-wide referendum against Chávez in that both sides identified themselves as Chavistas.

After the first year of Trino Silva's term at the head of the union, former secretary-general from 1999-2003 and acting Secretary of Organization José Gil reacted to what he described as widespread disaffection with Silva's leadership. Gil and his supporters called a referendum on Silva's rule and submitted the issue to an election in a process that was facilitated by the local labor inspector. Silva condemned the election as illegal and declined to participate. According to his supporters, Gil won the election easily. A battle for the leadership ensued, with the Alcasa management initially favoring Gil by revoking Silva's union credentials. However, the Supreme Court ruled on 24 November, 2004 that the election had been illegal because it violated the internal statutes of the union constitution. Silva's credentials were returned and he resumed leadership of the union.

One month prior to the conflict at Alcasa, a similar internal battle had broken out in the steel workers union Sutiss. Sutiss President Ramon Machuca (an ally of Trino Silva) faced a temporarily successful campaign against the collective agreement he and his executive had negotiated with the company when José Meléndez, leader of a rival faction in Sutiss, convinced enough workers to vote against Machuca's proposal.

Microcosms and Platforms: Alcasa and Sidor

José Gil justified his attacks on Trino Silva's leadership by accusing Silva of neglecting bread and butter issues, preferring instead to fight political battles that resulted in little benefit to workers. Workers at Alcasa corroborated Gil's argument to a certain extent, including many who supported Silva. José Meléndez made similar claims against Ramón Machuca, adding the charge that Machuca was undemocratic, and Meléndez' initial success in convincing steel-workers to reject the Collective Agreement suggests that his concerns reflected wider dissatisfaction among steel-workers.

Once the conflicting discourses are deciphered, it becomes clear that each of these leaders is missing one aspect or another of the struggles in their respective plants, but none of them is completely disconnected from workers. Both supporters and opponents of Trino Silva at Alcasa accuse him of neglecting his duties to defend their rights in the factory. Yet Silva has made great strides in attempting to widen the provision of health care to workers at Alcasa to the community at large, where public hospitals are in dire disrepair. Thinking outside of the factory has already proven crucial in previous struggles

in Venezuela; but the need to carefully blend class-based politics with factory-based agitation is acute. José Gil, for his part, has championed bread-and-butter issues at the expense of broader class considerations.

At Sidor, Ramón Machuca temporarily lost his workers' confidence because he was too focused on national politics. Though Sutiss is currently not a member of the UNT, Machuca has led one of the key debates within progressive labor (including, but not limited to, the UNT) on autonomy and democracy. José Meléndez, like José Gil, has focused on local issues at Sidor at the expense of national political considerations that merit Sidor workers' attention.

More than merely internal power struggles, the fights within Sitralcasa and Sutiss highlighted divisions and debates within the UNT at the national level. José Gil and José Meléndez both belong to the Bolivarian Workers Force (FBT), a powerful faction within the UNT led by Orlando Chirinos. Trino Silva is an ally of Ramón Machuca, who is himself the main challenge to Chirinos' bid for the UNT presidency. In this respect, the power struggles in Sitralcasa and Sutiss were also local manifestations of national struggles between the FBT and Machuca supporters fought out in Matanzas by proxy.

As a result of the infighting in Matanzas, these divisions burst onto the public stage. And as the year-and-a-half old UNT prepared for general elections tentatively scheduled for early 2005, the crystallizing debate between two political perspectives, and two trade union leaders, could no longer be contained.

Chavista Unionism vs Autonomy

One debate in particular has characterized divisions within the UNT since its inception: how to balance support for Chávez with the autonomy from government that has historically eluded Venezuelan unions? And this debate has been intertwined with another, surrounding different visions of the UNT's democratic structures. In the context of the onslaught of illegal and legal attacks by the opposition against President Chávez, these debates have taken on added emotional intensity. While there are many streams within and outside of the UNT, the most visible debates have generally been reduced to dichotomies personified by the two most prominent candidates for the UNT Presidency: Ramón Machuca and Orlando Chirinos.

The 'Chavista unionism' current is represented by the Bolivarian Workers Force (FBT), a pre-UNT federation of pro-Chávez unions. It is nearly impossible to even estimate the FBT's membership, for no one (least of all the FBT) is currently compiling such statistics. However, of the seven most visible coordinators of the UNT (of a total of twenty), four come from the FBT.

The 'autonomous unionism' group is led by Ramon Machuca. The remaining 3 of the 7 UNT coordinators mentioned above are perceived to be sympathetic to Machuca. While its membership is only around four thousand, Sutiss is one of the country's most well-known unions, due to a tradition of radical unionism going back to the 1970s.

What has complicated this debate is that both sides ostensibly support union autonomy. Yet the FBT is widely reported (including by FBT sources) to have close relations to the Ministry of Labor. The regional labor inspector's apparent preference for José Gil during the Sitralcasa leadership battle has been cited by the FBT's critics as one example. The Machuca wing, on the other hand, has been accused of having its own links to government through Franklin Rondón, president of one of the largest public-sector unions. It is here that the debate seeps into a broader, less easily definable one on democracy. Given the current correlation of forces, goes one argument, we must firmly establish a new confederation to replace the CTV, even if that slightly curtails the new body's democratic nature. The opposing position argues that for the new confederation to succeed in making a comprehensive break with the old unionism, the emphasis must be entirely on building democratic foundations.

A prime example is the controversy over who will be permitted to vote in the UNT's upcoming elections (tentatively scheduled for early 2005). Machuca and several UNT coordinators argue that all workers inside of or outside of the UNT should be allowed to vote, since the UNT's first election will likely influence all workers. Chirinos and his allies argue that while they agree with the sentiment of this strategy, it opens the door for sabotage since it would mean that members of the CTV could vote in the UNT elections. CTV leaders could, in theory, mobilize their members to support a candidate that more closely reflects the CTV's interests than s/he does those of workers. Neither of these arguments address the participation of informal workers in the UNT elections, despite the fact that 50% of Venezuelan workers are self-employed or employed in the informal sector.[iv]

Unity in Unété?

The animosities piqued locally and nationally by the internal battles within Sitralcasa and Sutiss have by no means disappeared. Yet, they appear to have faded sufficiently for both sides to sit down with one another in the interests of encouraging unity within the confederation.

The UNT was born in May, 2003 among euphoric chants of "the working class united will never be defeated." Yet unity has been conspicuously lacking within the UNT for much of its short existence. Many trade-union members believe that repeated displays of sectarianism between rival currents will only benefit the traditional confederation (the CTV) that these members have worked so hard to defeat.

In mid-November, while in Brazil for the twelfth congress of the Latin American Workers' Central (CLAT), Ramon Machuca and Marcela Maspero (UNT coordinator and member of the FBT) met in private, taking an important step in the conciliation between the rival UNT factions. Both Maspero and Machuca referred to the ad-hoc meeting in Brazil as groundbreaking. "Both sides were able to reflect on past mistakes, on the atmosphere that we are all equally responsible for creating [within the UNT]," said Maspero. Machuca added that the strategy of character assassination, previously employed by both sides, was rejected, and that the meeting fostered the kind of

constructive ideological debates the UNT needs. In Brazil the decision was made to call UNT coordinators to Caracas for a meeting held in early December to “build on the greatly improved relations [between the two sides].”[v]

Such cooperation is absolutely necessary if the upcoming elections are to win over the large swath of Venezuelan unions that currently have a foot in each of the rival centrals. This as yet undecided sector is well aware of the potential of the new central, but all too conscious of the powerful sectarian roots that have ravaged Venezuelan labor in the past. Beyond that self-defeating sectarianism, what separates these two leaders are the specific labor traditions each comes out of, which color their respective organization strategies. And it is primarily in this respect where the divisions between both sides have opened the possibility for an as yet unconsummated imaginative cooperation. While political disagreements will certainly persist, if Machuca and Chirinos—or, more importantly, their supporters—*can* unite, as they appear to be doing, the UNT will be a dynamic and diverse pillar of progressive politics in Venezuela. Their timing could not be better, for the rival CTV will also be holding elections in the coming months, bringing the two centrals to perhaps their most important face-off.

Thursday, Jan 27, 2005

Notes

[i] This measure is an estimate since many collective agreements are only negotiated every four years. Figures obtained from Ministry of Labor.

[ii] Part II of the series “Refounding Venezuelan Labor” was initially intended to cover the theme of worker-state co-management, taking two case studies: Venepal, a paper factory recently expropriated by the state; and Cadafe, an electric company that has been running under an imperfect system of co-management since 2002. The article on co-management will appear as Part III of the series.

[iii] The *Matanceros* took their name from the region of Matanzas. In the 1970s and 80s they gained national prominence, and many people believe that their political party the Radical Cause won the Presidential elections of 1993, but for sabotage by traditional elites. In any case, the Radical Cause party was widely perceived to have been co-opted by the CTV by that time, and the party joined the opposition shortly after Chávez’ election in 1998. The *Matancero* movement continues to be an influential syndicalist movement in Matanzas.

[iv] Interview with Ricardo Dorado, Vice-Minister of Labor conducted by author, October 9, 2004.

[v] Interviews conducted by author, December 15, 2004.

