

The Venezuelan Labor Movement Under Chávez: Autonomous Branch of Civil Society or Instrument of Political Control?

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For decades prior to Hugo Chávez's advent to power, Venezuelan labor leaders propagated the idea of the nation's workers movement as one happy family, a notion that was not entirely concocted. The family image stemmed from three basic tendencies over the years. In the first place, the dominant party in organized labor, Acción Democrática (AD), displayed "generosity" by including trade unionists representing diverse political parties, even ones with minimum worker influence, in the executive board of the Confederación de Trabajadores de Venezuela (CTV). In the second place, the CTV allegedly formulated policies on the basis of a "consensus" among the members of its executive committee. Thus every five years CTV trade unionists put together a united slate for the confederation's leadership positions that was ratified at its national congress. Indeed, when in 1985 and 1990 organized labor's second most influential party, COPEI, ran its own slate for the CTV's executive committee, it was penalized for its go-it-alone approach by being replaced in the confederation's number two position of secretary general. Finally, the steady improvement in the general standard of living, as a result of the stability of the international oil market, instilled in Venezuelans a belief tantamount to the "American dream" that their children would live better than they did. The prevalent optimism militated against internecine labor conflicts and leftist control of the labor movement (Bergquist,

1986: 191-273). Indeed, the CTV was given credit for engaging in “responsible” democratic trade unionism that contributed to the nation’s political and social stability.

These tendencies contrasted with developments elsewhere in the continent, thus contributing to Venezuela’s image as a privileged third-world country, a notion encapsulated in the term “Venezuelan exceptionalism.” Thus, for instance, in contrast to the alleged unity and pluralism of organized labor in Venezuela, the workers movements of Peru and Colombia were organizationally divided, while in Mexico and Argentina the largest political party completely dominated the major labor confederation and limited the participation of other political forces (Murillo, 2001: 66-72). Furthermore, the sharp fluctuations in the world price of nitrates, copper and tin facilitated leftist control of the labor movement in Chile and Bolivia and led to violent confrontations between labor and capital. Finally, labor unions in Argentina, Bolivia, Peru, Chile and Uruguay were held responsible for promoting the irresponsible “populism” that led to the military coups in the 1960s and 1970s.

Recent developments in the labor movement in Venezuela suggest that the applicability of the exceptionalism thesis, which implied social and political stability and credibility in democratic institutions, was exaggerated long before 1998. Thus class polarization under the Chávez government serves as a reminder that acute social tensions were a prominent feature of Venezuelan society over the previous two decades of economic stagnation. Furthermore, the CTV’s much touted pluralism was exposed in the CTV elections of October 2001 when AD put together an electoral pact that included trade unionists of ideologically distinct parties, but reserved for itself the two top positions of president and secretary general. The turbulent CTV elections in October 2001, which produced widespread accusations of fraud, served as a reminder of the unethical electoral practices that had enabled AD to dominate organized labor for

decades. Finally, the alliance between the CTV and the business organization FEDECAMARAS, which led to four general strikes between 2001 and 2003 with the aim of ousting Chávez, also drew attention to the fact that Venezuelan labor leaders had engaged in class collaboration politics and followed orders from their respective political parties over many years.

The depth of the reaction against the dependent status of labor unions was also put in evidence by the split within the *Chavista* movement: between “moderates,” who favored working within the existing union structure in order to sever its party links, and “radicals” or “hard-liners” who called for the founding of new labor organizations in order to achieve a complete break with the past. This article will show that in spite of their thorough critique of old-style trade unionism, the hard-liners ran the risk of creating new mechanisms of political dependence and parallel unionism. The hardliners also converged in certain respects with neoliberalism, which attacked old-style trade unionism as well. During Chávez’s first three years in office, the hard-line wing’s propositions to overcome dependence by reorganizing the labor movement involved knotty issues. This perplexity explained the vacillations and lack of definitions among *Chavista* worker leaders with regard to relations with the CTV as well as specific reforms. Nevertheless, the greater polarization leading to attempts by the CTV leadership to force Chávez out of office limited options for the *Chavistas*, and justified their complete break with the confederation in 2003.

The following article examines recent developments in the nation’s labor movement leading to the split from the CTV and the founding of the rival pro-*Chavista* Unión Nacional de Trabajadores (UNT). The article is designed to determine whether the labor movement influenced by *Chavismo* has addressed the problem of organized labor’s historical dependence on political structures, a relationship that tended to undermine class consciousness and the

defense of class interests. An autonomous labor movement would imply a degree of class identification and assertion of class interests, which most likely did not originate with Chávez's election, but rather dated back to at least the early 1980s with the beginning of economic contraction. In this sense, autonomy is at odds with the thesis of Venezuelan exceptionalism, which implies ongoing social harmony and low levels of class consciousness.

In contrast, the pro-*Chavista* labor movement's reproduction of the union-party nexus of the past would indicate that the practices of the old trade unionism are deeply ingrained and hard to overcome, even under the "revolutionary" government of Chávez. This second scenario has mixed implications. A non-autonomous labor movement may be the result of healthy "institutionalization" in which political parties control civil society but represent popular interests at the national level and in the process guarantee social stability. This model accords with the writings of political scientists who viewed labor unions dominated by AD and COPEI as a key prop of the democratic system (Alexander, 1982: 666-667; Martz, 1966: 255; Levine, 1973: 214-223). On the other hand, a non-autonomous labor movement may be considered contrary to the optimistic traditional evaluation of Venezuelan democracy in that it reinforces hierarchical decision making, breeds clientelism and corruption and dampens worker aspirations, thus undermining credibility in the political system.

The article's assumption is that the urgency with which autonomy and related issues have been raised during the Chávez period, and the intensity of the struggle around them, reflects the extent to which they have been matters of basic worker concern over an extended period of time. This assumption points to a major shortcoming of much scholarly writing on Venezuela. Specifically, historians and political scientists have failed to recognize the dissension and discord

that party domination of the labor movement produced over the years, and the assertion of class-consciousness implicit in worker repudiation of dependence.

The Missed Opportunities for the Chavistas during the Early Years: 1999-2001

For three decades following the opening of the modern democratic period in 1958, the CTV championed the model of import substitution and state intervention in the economy. In keeping with this line, the confederation called a one-day general strike on May 18, 1989 to protest the neoliberal program of President Carlos Andrés Pérez (1989-1993). Throughout the remainder of Pérez's presidency, labor leaders joined congressmen of AD and other parties in creating obstacles to, and delaying passage of, neoliberal inspired legislation. AD leaders, in contrast to their behavior under the Pérez administration, struck up an unofficial alliance with President Rafael Caldera (1994-1999), who pledged to refrain from mass layoffs of their party militants in the public sector. In a blatant expression of trade union submission to party dictates, AD labor leaders uncritically supported Caldera's neoliberal policies, and participated in the drafting of neoliberal-inspired labor and social legislation promulgated in 1997. Specifically, the CTV accepted the privatization of the health system, which essentially legalized the practice of providing the poor, who lacked insurance coverage or ability to pay, with second class-treatment in public hospitals. In another concession to neoliberal formulas, the CTV dropped its opposition to changes in the system of job severance payments and approved a reform that, in effect, reduced the large sums of money companies had to pay employees when they left the job. Finally, the CTV virtually abandoned its *Cogestión* proposal without replacing it with another

all-encompassing strategy for change, thus putting in evidence the Confederation's short-term approach and its loss of interest in societal transformation.

During the 1998 presidential campaign, Chávez embraced a fervently anti-party discourse, at the same time that he attacked the established labor leadership as a "trade union mafia" that slavishly defended the positions of AD and COPEI, the nation's two dominant parties since the outset of democracy in 1958. Thus Chávez's overwhelming victory in the 1998 presidential race, and those in the three elections held in 1999 and the two in 2000, placed CTV leaders on the defensive and opened a window of opportunities for the *Chavista* labor leaders.

During Chávez's first three years in office, the *Chavista* movement debated between hard-line and moderate approaches. The moderates proposed dialogue and concessions in the face of an opposition that in 2001 became increasingly aggressive and began calling for Chávez's ouster. In contrast, the hardliners called the opposition leaders "conspirators" and favored responding to their protests with mobilizations of their own. The moderate / hard-line split manifested itself within the labor movement where one of the main points of contention was the issue of trade union autonomy, specifically the relations between organized labor and political society (the state and political parties). The hardliners favored taking advantage of the *Chavista's* upper hand, which included control of the national executive and congress, and the adversary's weakness in organized labor, in order to deal the "trade union mafia" a fatal blow. The strategy thus compromised labor autonomy for the purpose of achieving far-reaching objectives, specifically the transformation of trade union structures that had allegedly bred class collaboration and corruption. The National Constituent Assembly (ANC) in 1999-2000 and the national congress in 2000 considered several proposals. They included judicial proceedings against corrupt labor leaders, confiscation of trade union property, and the dissolution of the

CTV in order to create a "united labor confederation" taking in independent unions and the nation's small rival confederations.

By bypassing the existing CTV structure, the hard-line strategy ran the risk of promoting parallel unionism. This approach completely discarded consensus politics, which had been a cornerstone of Venezuelan democracy since its outset in 1958. The consensus involving national actors such as the pro-establishment leaders of political parties, organized labor and business organizations was anathema to Chávez, who considered the process a form of elite decision-making. Thus, for example, he refused to call the Tripartite Commissions of CTV, FEDECAMARAS and state representatives to review minimum wage increases on an annual basis, as was stipulated in the Labor Law of 1990 (Article 167). In place of the neocorporatist Tripartite Commissions, the Chávez government promoted "*mesas de diálogo*" (round-table discussions), which were allegedly designed to incorporate emerging actors into discussions over policy and legislation.

A "moderate" current in the Chávez movement headed by ANC president Luis Miquilena warned of the dangers of "parallel unionism," which in the 1960s had condemned leftist trade unionists to isolation with regard to the rest of the working class. The moderates were also concerned about the accusations formulated by both national and international actors (such as the International Labour Organization—ILO) that the Chavistas were promoting an "official" trade union movement. In 1999, Miquilena refused to proceed with a proposed resolution that was formulated in an ANC commission that would have abolished the CTV and scheduled new elections to unify the labor movement. The following year, moderate Chavista congressmen modified the wording of a proposition for a national referendum (held in December 2000) that would have achieved the same objective. In addition, as a result of pressure from the ILO, the

moderates shelved the proposed Ley de Garantías y Protección de las Libertades Sindicales, which implied a labor movement shakeup, and suddenly accepted "*mesas de diálogo*" with CTV leaders sponsored by the Labor Ministry to discuss such issues as social security reform, unemployment and the unification of the labor movement. The hardliners reluctantly went along with the *mesas de diálogo* but subsequently complained that these discussions failed to meet expectations, and that the CTV leaders reneged on the decisions reached there regarding the reorganization of the labor movement (Ellner and Rosen, 2002).

In addition to differences in labor strategy, the hardliners clashed with the moderates over specific reforms, such as the systems of severance payment and social security and the minimum wage. The hardliners in the ANC succeeded in including in the Constitution articles that re-established the old system of severance payment based on the worker's last monthly salary, a social security system that regulated profits and covered all sectors of the population, and a reduction in night work from 40 to 35 hours a week.

During the 1990s, the hard-line sector of the labor movement not only called for complete structural reorganization, but also questioned certain practices that, while strengthening organized labor, were conducive to corruption and other abuses. The hard-liner position had been represented by the Causa R party during the early years of the decade, and then by the *Chavistas*. Paradoxically, the position of the hardliners and their attacks on the "trade union mafia" coincided with the posture assumed by pro-business defenders of neoliberalism. Indeed, some of the neoliberals expressed sympathy for the militant trade unionism practiced by the Causa R, which boldly challenged the CTV leadership (Ellner, 1999: 117).

The *Chavista* labor leaders had mixed motives for promoting specific reforms. The changes were designed to expunge corruption and clientelism, but they also served to weaken the

AD-dominated labor leadership and open up opportunities for the *Chavistas*. Thus discussion around specific practices and proposals that were put forward did not involve definitively pro- or anti-labor positions. One practice which the Causa R trade unionists questioned, as did the *Chavistas* after them, was known as the “*costa contractual*,” whereby the company paid certain union expenses, particularly those derived from the collective bargaining process. The payment created a relationship of dependence on management, and was often a smokescreen for the bribery of union officials in order to moderate worker contractual demands. A second decades-old practice criticized by *Chavista* leaders and neoliberals alike that lent itself to corrupt dealings was the union hiring of 60 percent (formerly 80 percent) of all oil workers, an arrangement that was also well-established in the construction sector. After 1998, the *Chavistas* insisted that the hiring process be “democratized” by providing for community participation, and by the 2000 oil workers contract, union quotas were eliminated altogether. The support of *Chavista* labor leaders for these efforts was undoubtedly intended to undermine the influence of AD oil trade unionists. A third practice riddled with abuses that some *Chavistas* criticized (along with the neoliberals) was the job security (*inamovilidad*) and other benefits provided union officials, which often translated itself into an extended paid leave of absence. The *Chavistas* pointed to CTV leaders, as well as hundreds of local union delegates, who over a period of decades became divorced from the work place. As a corrective, some *Chavistas* insisted that all union officials be active members of the work force. The *Chavista* government at one point called to question two other worker and union benefits: the system of checkoff of union dues, which in the case of public education sometimes involved simultaneous deductions for several labor organizations without the employee’s consent; and absolute job security for oil workers, some of whom supported anti-government work stoppages.

The CTV Elections of October 2001

In spite of the polarization that divided the nation's political class into pro- and anti-government forces, a group of important labor leaders came to assume independent positions precisely when political conflict reached new heights beginning in 2001. These independents had originally belonged to CTV organizations and had opposed the creation of a parallel confederation. They changed and in some cases were radicalized as a result of the accusation of fraud and the violent confrontations set off by the confederation's elections held in October 2001. Their subsequent opposition to the four politically motivated general strikes called by the CTV and FEDECAMARAS within one year further influenced their decision to leave the confederation. Thus the trade union events in 2001 and 2002, which will now be examined, help explain the evolution of the independents in the direction of the *Chavista* camp.

The most prominent independent was Ramón Machuca, president of the Sindicato Unico de Trabajadores de la Industria Siderúrgica (SUTISS), one of the nation's largest unions that represented the workers of the privatized steel company SIDOR. In May 2001, Machuca led a three-week strike against SIDOR that seriously affected the economy of the Ciudad Guyana region where the company is located. In keeping with its militant tradition, SUTISS raised non-economic demands along with economic ones. The union insisted on the reduction in the number of workers considered "confidential," who by definition were excluded from the labor contract, and also raised the issue of discriminatory treatment against Venezuelan employees. From the outset it was clear that Machuca's exclusive interest was in winning the conflict, and for this reason he threatened to appeal to the 6000 workers in companies that purchase steel from SIDOR

to join the strike. In contrast, CTV leaders such as future confederation president Carlos Ortega and Alfredo Ramos (of the Causa R party which Machuca had recently distanced himself from) had a different agenda with political implications. Ramos's Causa R at first dismissed the strike as a lost cause, but then reversed itself and proposed that the CTV call a general strike in support of SIDOR workers. Ortega raised the possibility that workers in key sectors whose contracts had expired follow the example of SUTISS by calling work stoppages. The *Chavistas* on the executive committee of SUTISS supported the strike (unlike the *Chavista* mayor of Ciudad Guayana where SIDOR is located) but opposed its escalation for political reasons. Undoubtedly, had Chávez's followers at SIDOR or Chávez himself vehemently opposed the strike or confronted Machuca, the future convergence between *Chavistas* and independents would have been less likely. The strike was finally settled on terms favorable to the union, including a one-year moratorium on layoffs. President Chávez subsequently recognized that the strike had been successfully carried out and that both the government and the union leadership had learned from the experience (Díaz Rangel, 2002: 130-131).

AD trade unionists, aware of their reputation of being an appendage of their party, created the Frente Unitario de los Trabajadores (FUT), which took in parties of diverse ideological backgrounds. The Frente included AD, COPEI, the "Bandera Roja" (which came out of the guerrilla movement) and the Unión para el Progreso (led by Chávez's former comrade-in-arms Francisco Arias Cárdenas). Despite the FUT's much touted diversity, the two top positions on the slate went to Carlos Ortega and Manuel Cova, both of AD. Indeed, for the first time in nearly forty years, the posts of CTV president and secretary general were to be simultaneously held by members of the same party.

The pro-Chávez trade unionists were originally grouped in the Frente Constituyente de Trabajadores, which was organically linked to the MVR. Some *Chavista* worker leaders resented the MVR's interference, including the practice of naming the Frente's regional coordinators rather than leaving the decision up to party trade unionists. Furthermore, during Chávez's first two years in office, the moderates headed by Luis Miquilena wielded considerable influence in the MVR and clashed with *Chavista* labor leaders in the congress over issues such as the systems of severance pay and social security. Subsequently, the *Chavista* worker leaders modified their relationship with the party by creating the Fuerza Bolivariana de Trabajadores (FBT), which had no formal ties with the MVR and took in trade unionists belong to other pro-government parties, including Patria Para Todos (PPT), the Communist Party, and the Liga Socialista. *Chavista* labor spokesmen hailed the new organization as an achievement of authentic autonomy.

The FBT's decision to participate in the CTV elections represented a triumph for the MVR moderates, who were opposed to splitting off from the confederation. In another demonstration of flexibility, the *Chavistas* chose as their CTV presidential candidate Aristóbulo Istúriz of the PPT, which had had stormy relations with President Chávez, rather than MVR stalwart Nicolás Maduro, who also sought the nomination. The selection of Istúriz put in evidence the sensitivity of the *Chavistas* to the widespread concern among workers of the danger of an "official" labor movement, particularly in light of President Chávez's forceful defense of the positions of his trade union followers. Nevertheless, the *Chavistas* stopped short of choosing Pablo Medina, also of the PPT, who campaigned actively for the nomination for the CTV's presidential candidacy and who accused Istúriz of being too submissive to the government.

Upon receiving the nomination, Istúriz called for a broad front to defeat Fedepetrol's president Carlos Ortega in his bid for re-election. As a result, FBT leaders discarded the policy of

promoting parallel unionism, which had led to their transformation of an oil workers union in the state of Monagas into a nation-wide parallel union named SINUTRAPETROL to compete with FEDEPETROL. Istúriz insisted that the FBT switch its support from the president of an oil workers union local with little support outside of the eastern part of Venezuela to ex-Copeyano Rafael Rosales. The endorsement of Istúriz and the FBT for the Rosales candidacy was a master stroke, in that it encouraged the emergence of a movement within the CTV of independents who in the months following the elections ended up allying with the *Chavistas*.

The elections held in October 2001 for the CTV and its affiliates were characterized by widespread disturbances, accusations of fraud and other irregularities, and an abstention rate estimated at between 50 and 70 percent. Three weeks after the elections, the CTV's electoral commission proclaimed Ortega and Cova president and secretary general respectively and announced that the FUT had received 64% of the votes and the FBT slate 19%. At one point, Istúriz hinted that Ortega had in fact received more votes but that the FUT's percentages had been greatly inflated. Indeed, AD had good reason to distort the electoral results in this fashion: only if the FUT triumphed overwhelmingly, would AD labor leaders be able to maintain their dominant position in the CTV and at the same time guarantee their allies in the FUT representation on the confederation's executive committee.

The Four General Strikes of 2001-2003 and Their Aftermath

Immediately after proclaiming himself CTV president, Ortega began to formalize an alliance with FEDECAMARAS that would produce four general strikes within one year with the

aim of forcing Chávez out of power. At first glance, the general strikes of December 2001, April 2002 (which led to the short-lived coup), October 2002, and December to February 2002-2003 seemed to stand Marx on his head. In all four cases, worker and business organizations joined hands in calling for the ouster of the “revolutionary” President Hugo Chávez or the immediate holding of new presidential elections. In fact, the reaction of Venezuelans to the strikes was largely determined by class, as Marx would have predicted. While downtown and poorer neighborhoods quickly returned to normality during the indefinite general strikes of April 2002 and December-February 2002-2003, affluent areas of major cities avidly supported the work stoppage. Furthermore, during the two-day ousting of Chávez, labor leaders such as Machuca and those of the FBT made plans to call a general strike in opposition to the new regime.

Several developments strengthened the position of those who favored a new confederation. In the first place, the CTV had been discredited as a result of the failure of the 10-week general strike. The period immediately following the strike was the ideal moment to deliver the confederation a fatal blow. It was argued that should the *Chavistas* fail to completely break with the CTV, they themselves would lose the respect of the workers. In the second place, at the time of the April abortive coup, Luis Miquilena and his followers, who had been the staunchest defenders of the strategy of working within the CTV, left the MVR (Ellner and Rosen, 2002). Finally, the CTV's electoral fiasco in October 2001, and the subsequent general strikes, had encouraged the emergence of a group of independent labor leaders who for the most part were disposed to break definitively with the confederation.

The shift in opinions during the conflict-ridden year 2002 of rank-and-file workers who were neither pro- nor anti-Chávez contributed in a major way to the deterioration of the CTV's image. The independents, who in the nation as a whole constituted an estimated 40 to 50 percent

of the population (Ellner and Rosen, 2002: 15), were perplexed and angered by the CTV's prolonged alliance with FEDECAMARAS. Unlike the independents in the population at large, whose views went unrepresented in politics at the national level, the attitudes of independent trade unionists were reflected by the positions assumed by Machuca and other nationally prominent labor leaders.

In the immediate aftermath of the 10-week strike, the leading independents including Machuca, Rosales, Torrealba and Rondón traveled throughout Venezuela to organize support for a new workers confederation. The group of independents insisted that the organization maintain a distance from the state. Machuca pointed to Chávez's public remarks – such as his statement during the CTV elections that if Aristóbulo Istúriz was elected president of the confederation he would “have a seat in Miraflores [the presidential palace]” – as placing in doubt labor movement autonomy. Machuca added that Chávez's trade union adversaries took advantage of errors of this type (Harnecker, 2002-2003).

Machuca was convinced that the only way the new confederation could refute charges of being “official” was by naming one of the independents as president. Originally Machuca proposed Rondón, but then the independents agreed that Machuca himself should head the new organization. At the founding meeting of the Unión Nacional de Trabajadores (UNT) in March, however, the *Chavistas* of the FBT proposed a “horizontal” structure in which a 21-member national coordinating committee would be devoid of positions such as president and secretary general. The *Chavistas* argued that such a structure should prevail until elections were organized in order to avoid discontent over the naming of a president. The *Chavistas* won over the independents to this structure, with the exception of Machuca who refused to join the UNT. Subsequently, Machuca met with UNT members and did not discard reconciliation. In one

concession, the FBT leaders dropped their insistence on calling Venezuela's new confederation "*Bolivariana*" and accepted the UNT name, which was originally proposed by the independent Rafael Rosales.

The differences between the FBT and Machuca's group centered on the issue of timing. The independents headed by Machuca argued that only through a well-planned, protracted process of rank-and-file participation would a truly autonomous confederation be created. In contrast, the *Chavistas* of the FBT maintained that the political situation in the country, specifically the imminence of another attempt to overthrow the government, required the immediate formation of a workers confederation with mobilization capacity. (The same argument regarding political imperatives was used to justify limiting the duration of national debate around the ratification of the constitution in 1999 and the passage of 49 laws in 2001). The differences in approach also characterized the proposals put forward by the FBT and Machuca on the creation of a new hemispheric labor confederation to formulate positions on issues such as the foreign debt and the Free Trade Area of the Americas. While the FBT favored promoting a pro-leftist Latin American labor organization that would take in important confederations in Peru, Colombia, Brazil, Chile and elsewhere, Machuca favored reaching out to emerging social movements and following a bottom-up approach. The FBT's plans ran the risk of alienating the independents, with their disparate ideological orientations.

The UNT's founders insisted that the new confederation avoid the structures and practices that had bred corruption, political control, and class collaboration in the past. For this reason the confederation's founders supported the right of workers to petition for a recall referendum against union officials. In addition, UNT leaders were determined to avoid the organization's penetration by labor bureaucrats who lacked ongoing ties with the rank and file.

Thus those national deputies who claimed to represent labor but lacked a trade union following were considered UNT “advisors” while all 21 coordinators were allegedly trade union activists. Some UNT trade unionists (particularly the independents led by Machuca) argued that trade union leaders at all levels should be active workers, but no consensus was reached on the proposition.

The positions assumed by the UNT did not all overlap those of the MVR. Some of the differences reflected conflicting stands between the labor wing of the MVR and party politicians dating back to the beginning of Chávez’s rule. Among the positions adopted by the UNT that were not officially backed by the MVR were: automatic salary indexation, the re-establishment of the old system of severance pay in accordance with the new constitution, formation of a “debtors bloc” among Latin American nations to present “alternatives” to payment of the foreign debt, promotion of an economic model based on a large internal market (as opposed to prioritizing export growth), and the prompt implementation of the Ley Orgánica del Sistema de Seguridad Social (LOSSS). The state-based LOSSS, passed in December 2002 during the general strike, embodied the FBT’s proposal on social security, which was at odds with the privatization plan pushed by Miquilena’s supporters and the “mixed” system advocated by Chávez’s ministers in the area of social affairs.

The slogan of worker participation in company decision-making also represented a “vanguard” position within the Chávez movement. During the 10-week general strike the FBT called on the government to issue a decree allowing the workers to temporarily run companies that had shut their doors. Following the strike, workers took over hotels such as the Sheraton Hotel of Vargas, sugar mills and other firms that had closed due to bankruptcy. At the UNT’s founding congress, workers chanted “*empresa cerrada es empresa tomada*” (“a closed company

is a company taken over”). The new confederation demanded the issuance of a decree that would enable workers to assume control of companies that were in the hands of the state agency Fondo de Garantías de Depósito (FOGADE) as a result of the nation’s financial crisis of 1994. UNT labor leaders were undoubtedly encouraged by events in PDVSA where in the wake of the 10-week strike, Rafael Rosales and the president of a smaller oil workers federation were appointed to the company’s executive board as a step toward worker participation in decision-making. Trade unionists were also influenced by developments in Argentina where workers had recently taken over many work places in response to the nation’s financial crisis.

The UNT leaders insisted that the economic hardships resulting from the 10-week strike be borne by the companies and not the workers. In contrast to this discourse, some trade union leaders signed agreements recognizing the suspension of collective bargaining agreements, temporary worker layoffs, and the abandonment of fringe benefits corresponding to the duration of the strike. These concessions were designed to provide companies with a breathing space in order to avoid bankruptcy during the difficult period following the strike. Some CTV leaders claimed that the hard-line of *Chavista* trade unionists was designed to force companies out of business in order to facilitate worker control.

The 10-week general strike of 2002-2003 brought to the fore an issue that had been discussed within the *Chavista* labor movement from the outset of Chávez's presidency in 1998: the need to weed out unreliable employees from the public sector. After the general strike, the hard-line *Chavistas* insisted on the complete purge of the oil industry. 18,000 employees mostly from the white-collar staff who had supported the strike were fired on grounds that they had engaged in a criminal paralysis of the industry including sabotage. The hardliners warned that many employees who had supported the strike were attempting to work their way back into the

industry by seeking employment from contractor firms in distinct locations, a practice that PDVSA's new managers allegedly failed to act against. The hardliners held PDVSA president Alí Rodríguez and other "moderates" responsible for having been taken by surprise (in spite of warnings) and not having proceeded against anti-*Chavista* executives in the industry, who had engaged in political activity within PDVSA following the April coup. At the same time, the hardliners raised the specter of another oil workers strike. They insisted that, given the threat of sabotage, support for the goals of the "revolutionary process" (though not necessarily for Chávez) be a prerequisite for employment in the oil industry (Martínez, 2003).

The hardliners favored extending the purge of the oil industry to include blue-color workers, a demand that was particularly significant because FEDEPETROL had been an AD stronghold for many years. The hardliners insisted that *Chavistas* who risked their lives during the 2002-2003 strike by forming civilian brigades to guarantee the security of oil installations should be given preference in the selection of personnel to replace those who had walked out in December. Undoubtedly, this demand formed part of a trade union strategy of promoting the consolidation of Rafael Rosales' control of Fedepetrol and the federation's breakaway from the CTV fold. The hardliners also pointed to other sectors, such as public education and the state-run electricity company (CADAFE), where adversaries such as the followers of Luis Miquilena held key positions and assumed an unfriendly attitude toward *Chavista* employees. A resolution passed at the UNT's founding congress called for the removal of coup supporters from the public administration. The replacement of employees belonging to traditional parties by *Chavistas*, however, was conducive to political clientelism, a deeply rooted practice in Venezuela.

The differences between the hard-liners and the soft-liners continued to manifest themselves throughout 2004 and into 2005. The hard-liners headed by UNT national coordinator

Orlando Chirino favored moving ahead with plans to consolidate the confederation and to hold elections for national leadership positions. In April 2005, Chirino traveled to the oil-state of Zulia to encourage the formation of a UNT federation for that state. In doing so, Chirino hoped to force the position of the soft-liners (headed by Rosales) who wanted to delay the alignment of the oil workers movement with the UNT. In addition, Chirino opposed the proposal to include all workers (including intellectual workers) in the UNT elections, instead arguing that only those formally enrolled in the confederation or in affiliated unions should have the right to participate. In contrast, the soft-liners favored a more gradual process of winning over the entire working class before moving ahead with structural trade-union changes.

Conclusion

The main issue of concern of this article has been the labor movement's dependence on political institutions. The lack of autonomy was made blatantly evident in 1997 when AD leaders translated their party's political commitments with the pro-neoliberal Caldera administration into acceptance of the modifications of the severance payment benefits that undid 60 years of steady improvements in the system. Of equal importance was the failure of the CTV to restructure the labor movement in order to create national unions, as the 1990 Labor Law permitted. By refraining from moving ahead with the system of national unions, the CTV maintained organized labor weak and subordinate to political parties and the state.

The article discussed the importance of the issue of autonomy among those trade unionists who challenged the leadership of the CTV and later formed the UNT. Most important,

a group of independents coming from diverse political backgrounds defied polarization by raising the banner of trade union autonomy vis-à-vis political parties and the state. Thus they insisted on a more drawn out process for the founding of the UNT in order to establish principles and procedures of rank-and-file participation that would make the confederation immune to political party and state interference. The article also pointed to evidence of the independent behavior of the *Chavista* labor leadership. Indeed, the positions of MVR labor leaders, the FBT and the UNT did not coincide with the positions held by the MVR party leaders on issues ranging from social security legislation to worker takeovers of companies that had decided to close down.

Nevertheless, the emerging labor movement did not escape the danger of political control. While the independents placed a premium on autonomy, the *Chavista* labor leaders were largely concerned with the power struggle within organized labor among different political currents. The article shows how after 1998 *Chavista* labor leaders attempted to take advantage of the MVR's dominant position in the government, and the weakness of their adversaries, by formulating a strategy of relying on executive and legislative power to wrest control of the labor movement from AD. The *Chavistas* precipitated the emergence of parallel structures by forming new unions (such as in case of the oil workers movement), which had little possibility at the time of displacing the established CTV ones. *Chavista* labor leaders even supported initiatives that promised to help them make inroads in organized labor, but in the process converged with neoliberalism (as in the case of the "modern contract" in the oil industry). After 2001, the need to defend the *Chavista* government in light of the deepening of polarization and political crisis also influenced the FBT to take into account political imperatives.

These developments explain why trade union autonomy was such a thorny issue and was discussed so ardently at the UNT's founding congress in August 2003, and why Machuca (unlike others who belonged to his group of independents) decided not to join the confederation for the time being. Simple solutions to the issues that were under discussion hardly awaited the UNT trade unionists. The danger of sabotage in the oil industry, and the possibility of another CTV-led attempt to oust Chávez, convinced many UNT leaders that trade union struggles could not be divorced from political ones. On the other hand, UNT leaders were determined to avoid repeating the CTV's historical errors of subordinating worker interests to political commitments and promoting clientelism.

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