Galvão, Andréia

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Neo-developmentalism and trade unions in Brazil

Andréia Galvão
University of Campinas
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Andréia Galvão
Univeristy of Campinas

Abstract:
This article deals with the Brazilian labour movement during Workers’ Party governments, discussing its organizational reconfiguration and its ability to influence politics. It identifies the main actions and demands put forward by the trade union movement after the arrival of the PT to the Federal Government and the achievements in terms of social and labour rights. It argues that unions’ ability to formulate policies contrasts with their limited intervention in the decision making process. It holds also that despite organizational divisions, union federations have presented a common agenda and a certain unity of action. This unity, however, is affected by the heterogeneity of concepts and union practices. Union federations increased their institutional participation and the majority unionism adopted a political moderation perspective, provoking criticism and triggering splits. Political moderation does not mean the absence of struggles and contentions but in this context, the strikes and mobilizations, even increasing, were not sufficient to approval of the union agenda. If the different union strategies and forms of struggle generated tensions and conflicts, especially among the minority and the hegemonic tendencies, at the same time it dynamized the Brazilian labour movement.

Keywords:
Labour, Trade Unions, Politics, Development, Neo-liberalism, Latin America
1 Introduction

The rise of the Workers’ Party (Partido dos Trabalhadores - PT\(^1\)) in the Brazilian federal government in 2003 had a major impact on the Brazilian labour movement, leading to its reconfiguration (Galvão, 2006). The largest and most important Brazilian union federation, Unique Workers’ Central (Central Única dos Trabalhadores - CUT), underwent a splitting process. New organizations were created, whilst others merged. However, the reconfiguration has not just consisted of organizational changes. It has also had a deeper impact on the relationship between the union movement and PT governments.

The Brazilian labour movement contributed, along with other social movements, to the formation of PT in 1980, and since then, it has had close relations with the party. Unions played an important role in Lula’s victory in the 2002 elections and appeared to gain political prominence within the PT government. This can be observed in the incorporation of union members into different positions in the federal administration (D’Araujo, 2009), by their participation in the tripartite bodies created by the government, and by the adoption of some union proposals by the government.

This all suggests increased influence of the labour movement in politics; however, it does not mean that the labour movement has exerted singular influence on the government "agenda". This agenda follows its own dynamics, due to the wide coalition of parties that supports the PT governments – including the center and right-wing parties, such as the Liberal Party (PL), latter renamed to Party of the Republic (PR), which occupied the vice-presidency in Lula’s governments, and the Brazilian Democratic Movement Party (PMDB), which held the vice-presidency in Dilma's governments – as well as the Parliament composition and mechanisms governing the relationship between the Legislative and Executive branches. Unions’ ability to formulate policies contrasts with their relatively limited ability to intervene in the decision making process. Only a minority of their proposals are effectively discussed in institutional spaces provided by the government and an even smaller amount are implemented\(^2\).

How can we explain this limited ability to influence (Araújo & Véras de Oliveira, 2011) a government that is considered by the media as a "labour-union republic"? To answer this question we must take into account the close relationship between CUT and PT, their common political origins, and the fact that, consequently, they share a political and ideological project, called by some analysts “neo-developmentalism.” In other words, one has to consider the transformations undergone both by the party and by the section of the labour movement close to it.

This paper also addresses the following questions: What are the main actions and demands put forward by the trade union movement after the arrival of the PT to the Federal Government? What are the forms of institutional participation, collective action and mobilisation? What are the achievements in terms of social and labour rights?

The first section of this paper outlines some different theories about what happened to the political agenda of the PT and the CUT after the PT came to power. In the second part, we identify some channels for union participation within the government. In the third part we present the main union movement’s proposals, through looking at some proposed laws examined by the National Congress and the employers and government stand or reaction in

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\(^1\) All acronyms are in Portuguese.

\(^2\) These difficulties are recognized by the union leaders themselves: "In the National Congress, in turn, the workers’ agenda has a hard time advancing, even with intense mobilization periods. The countryside parliamentary front, for example, tries to hamper any democratic progress. The House of Representatives and the senate formation show a large majority linked to businessmen, landowners, financial capital and corporations, and a minority linked to social movements and workers, which ultimately conducts the dynamic and voting priorities in both houses" (Henrique, 2013, p. 306).
relation to them. In the fourth section some indicators concerning collective action and mobilisation are offered, indicators that suggest the differences between the unions’ practices and its ideals, and indicating some sources of conflict between the minority and the hegemonic Brazilian labour movements.

2 The impact of neoliberalism on the social democratic left

Understanding the transformations undergone by PT and the trade union movement close to the party requires taking into account the impact of neoliberalism on social democratic organizations and parties. We can define PT’s ideology as sitting within the latter category (Samuels, 2004). The meeting of neoliberalism and social democracy has created a peculiar political form, one that eschews reform—according to Lanzaro (2008, p. 50) a “creole” or cross-breed social democracy marked by a certain continuation of the neoliberal model and by an “effectively reformist program, albeit a quite modest one”.

Lula’s election was the result of a brake on neoliberalism to which social movements had actively contributed to. However the aftermath of the election also revealed the difficulties of building any alternative economic model. His first term was marked by a continuation of neoliberal macroeconomic policy that prompted criticism from social movements, the unions included. Nevertheless, this macroeconomic orthodoxy, applied in a favorable economic climate and accompanied by a few social welfare programmes, did not prevent good economic indicators being registered for both of Lula’s presidential terms. There was significant economic growth between 2004 and 2008, a decline in unemployment and informal employment, continued control of inflation, and an increase in the minimum wage in real terms of 53.67 percent between 2002 and 2010. These results secured wide support for the government among ordinary people, confirmed by Lula’s reelection in 2006 and Dilma’s election in 2010.

There is wide debate over the nature of the development model being followed by the PT governments. A key question is whether there is or should have been a clear break from neoliberalism, or only the introduction of some modifications of the model (Novelli, 2011). We do not intend to cover all this debate in detail, but only to indicate some of the perspectives that have been advanced. For Sallum Jr. (2010), the changes observed between Lula’s first and second terms - increased investment and public spending - reflect a “liberal-developmentalist” inflection. Barbosa and Souza (2010) identified in the growth acceleration program, launched in 2007, and in the public borrowing increase for the financing of housing and production, a “new development model” in the making. Arcary (2011, p. 24) however characterizes Lula’s government as a “reforming government that produced no reforms, or very few of them.” For Singer (2012, p. 21–22), “Lula took advantage of the wave of

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3 It is therefore different from the European social democracy of the immediate post–World War II era, which promoted widespread reform in the name of social justice—commitment to the welfare of the citizenry and the defense of its universal rights. In that context, the unions adopted an outlook that went beyond strictly economic and corporative interests, an outlook that nowadays is much harder to find.

4 Such as the Bolsa Família program, the microcredit loan schemes, and the lending scheme for family farms.

5 Yearly growth in the gross domestic product went from 5.7 percent in 2004 to 3.2 percent in 2005, 4 percent in 2006, 6.1 percent in 2007, and 5.2 percent in 2008. Despite a decline of –0.3 percent in 2009, it returned to 7.5 percent in 2010 (IBGE, 2013).

6 Unemployment fell from 21.8 percent in 2003, Lula’s first year in office, to 14.1 percent in 2008 and continued falling despite the world economic crisis, reaching 11.5 percent in 2010 (its lowest index during Lula’s presidency). The percentage of informal employment in the first decade of the century declined from 47.7 percent to 43.4 percent (DIEESE, 2012: 169).
worldwide expansion and chose a middle path between the neoliberalism of the previous decade [...] and radical reforms that were listed in the PT's program [...] (a) reform program that was weak enough not to cause conflict.” In other words, this was a “program of superficial and conservative reforms — reforms that could even reproduce the neoliberal model of capitalism” (Galvão, Boito and Marcelino, 2011, p. 154).

Some authors have called the PT model "neo-developmentalism". For Boito Jr. (2012) this developmentalism does not effectively break with neoliberalism; it is limited to the introduction of changes to the neoliberal model. The prefix “neo” points out the differences between this orientation and the developmentalism characteristic from 1930 to 1980. In this vein, Boito Jr. and Berringer write,

"Neo-developmentalism (1) gives rise to a level of economic growth that, although much higher than that witnessed during the 1990s, is nonetheless considerably more modest than that provided by the old developmentalism; (2) grants less importance to the domestic market; (3) attributes less significance to policies that develop the local industrial plant; (4) accepts the structures imposed by the international division of labour, thus promoting, under new historical conditions, a reactivation of an earlier function of the Brazilian capitalism, the export of primary commodities; (5) has less capacity to redistribute income; and (6) is directed by a fraction of the bourgeoisie that has lost even the faintest interest in acting as an anti-imperialist force. These characteristics, each one tightly linked to the rest, make neo-developmentalism a considerably less ambitious program than its predecessor, and they flow from the fact that this is the development policy that is possible within the limits of the neoliberal capitalist model" (Boito and Berringer, 2014, p. 97).

We will not present all the government policies that can be related to the neo-developmental project, but analyse instead the relationship of neo-developmentalism to the Brazilian labour movement in an attempt to explain the limits of union intervention in politics. Two hypotheses are presented: the first suggests that the scope of government political coalition and the conciliatory character of PT governments prevent proposals triggering employer resistance. The second is that the hegemonic political strategy of the Brazilian labour movement under PT governments, is to opt for social partnership7. Actually, it assumes a politically moderate position, negotiating more than mobilizing, which reduces its capacity pressure the government to make more social and labour right benefits (Galvão, 2012).

We can hypothesize that the choice of social partnership, and thus, political moderation by the majority unionism, originates from a pragmatism similar to the one at the base of the transformation of European social democratic unions and parties in the 1980s. By analyzing five European countries, Taylor (1993) argues that even given their discontent with changes within social democratic parties, the unions continued to support them as they considered their goals completely unattainable in connection with other parties. The unions agreed tacitly to reduce their influence on allied parties, as well as their measures to expand their electoral base, in order to make them feasible political parties electorally. In this sense, pragmatism and electioneering help explain the unions' political moderation.

This political moderation affects CUT and CTB especially, closely connected to two of the government's supporting parties (respectively PT and PCdoB), and taking part of what Boito (2012) calls the "neo-developmental political front". Sharing this political and ideological goal enables this front or political coalition to obtain the majority of the Brazilian labour movement's support for government policy. In 2014, 10 of the 14 union federations

7 Social partnership implies willingness to dialogue, to negotiate, to compromise; it supposes the idea that it is possible to conclude a social pact with the state and with the employers.
supported the government.

CUT had an important role as the chief author of the 2005 *Project for Development from the Working Class Viewpoint*, which proposed a new development model that, according to it, would be capable of restoring the state’s ability to make headway in overcoming neoliberalism.

However, the conception of development advanced in the report is contaminated by neoliberalism in so far as it describes a pattern of citizenship that is not understood as guaranteeing universal rights, but as a way of securing citizens’ participation in the market—which explains the growing concern about having a bank account, access to credit, and the capacity to acquire consumer goods. Older union demands aimed at consolidating and extending social rights of universal application are to a large extent replaced by more specific demands, accepting the idea that conditions differ in different sectors of the labour market. These ideological framings allow the unions to support measures of concern to the employers and to promote initiatives in partnership with capital.

The example of the seminar Brazil of Dialogue, Production and Employment organized by Fiesp (*Federação das Indústrias do Estado de São Paulo*), CUT and FS in May, 2011, further illustrates the closeness of some unions to the PT government’s neo-developmentalism. The seminar was proposed to celebrate a pact in defense of industry, advocating taxes and contributions reductions for the employer, in order to “encourage priority the productive investments, at the expense of financial speculation” (CUT, 2011, p. 19). On the other hand, “CUT maintains that any tax incentives to companies must be accompanied by the requirement of mandatory counterparts, such as the commitment to job creation goals; respect to unions rights; respect to nationalization indexes along the production process; purchase of domestic machinery and equipment; export targets and presentation of an annual social report” (CUT, 2011, p. 19). Metal worker Unions’ action against the sector’s deindustrialization goes in the same sense of capital and labour partnership: unions criticize the appreciation of Real, which facilitates imports, and high tax burden, indicative of national industry problem.

### 3 Expansion of institutional channels opened to union participation

Union support for the government translates into a willingness to participate in certain institutional bodies created since 2003, such as the National Labour Forum (FNT) and the Council for Economic and Social Development (CDES) that facilitate policy dialogue. PT governments also organized a series of conferences to discuss public policies in different areas, which ensured new spaces for workers' intervention through their union organizations and social movements.

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8 Most of the new union federations emerged from 2004, adding to the three union federations created in the 1980s and 1990s (Unique Workers’ Central CUT, CGTB/General Workers' Federation of Brazil and FS/Union Force). We highlight: Conlutas (National Coordination of Struggles), established in 2004 and whose name changed to CSP-Conlutas in 2010; NCST (New Union Workers' Federation), established in 2005; Intersindical, established in 2006; UGT (General Workers’ Union) and General Federation of Working Men and Women of Brazil (General Federation of Working Men and Women of Brazil), created in 2007 and CSB (Brazilian Unions’ Central) created in 2012. In 2008 Intersindical was divided into: Intersindical – instrument of struggle and organization of the working class and Intersindical – instrument of struggle, class unity and formation of a new central. The latter founded Intersindical – Central of Working Class, in 2014. With the exception of the minority groups Conlutas and Intersindical, which split off from CUT precisely as a left-wing criticism to the PT government and to CUT’s stand on it, the others took part in the government's coalition. The Union Force has an oscillating position, it joined the government's coalition in 2006 but turned away in 2013, when some of its leadership supported the PSDB candidate in the 2014 presidential elections.
However, despite all the expectations generated about the creation of tripartite forums such as FNT and CDES, union participation in shaping public policies faces several obstacles. First of all, it should be noted that Brazil is a country that lacks a tradition of social dialogue, so the operation of these forums was irregular. Secondly, both the composition of these forums and the selection criteria of their members, as per their operating rules, limited the possibilities to the discussion a specific union agenda.

FNT, designed to discuss the union and labour law reforms, operated most effectively between 2003 and 2005, when the government sent a constitutional amendment proposal (PEC 369/2005) to Congress and submitted a draft bill, both according to the FNT consensus. These consensuses do not exceed, however, deep differences between the union and employers parliamentary fronts, or between workers’ leadership and union organizations not integrated to FNT. This is because the government restricted the workers representation to only union federations, excluding confederations (nationwide vertical entities and contrary to any corporatist union structure change) from the debate.

The course of Congress reform was suspended, partly due to the damage suffered by the government as a result of allegations of corruption in 2005 (the so-called "monthly allowance" crisis), and partly because of unions resistance to the measures disclosed. The threat to end the monopoly of union representation was enough for the confederations to oppose the project. Furthermore, centralization of power by summit bodies would prejudice the unions' local autonomy, provoking criticism from the left-wing unions, Conlutas and Intersindical, newly split from CUT. Given this delicate political context, the government backed down. Instead of a comprehensive reform, it chose to just legalize union federations, incorporating them into the official union structure and extended compulsory financing to them (Galvão, 2008).

FNT debates focused on union reform, so the labour law reform was not discussed. This did not prevent, however, the government from implementing a mini-labour law reform, without discussing it with the "social partners". Indeed, Lula’s government has established different legal standards for certain target groups such as young people entering the labour market, and micro and small enterprise workers, and instituted hiring service providers on the condition of “juridical person” (enterprises constituted of a single person) (Galvão, 2008).

CDES operation also generated dissatisfaction among union leaders. The first source of discontentment was business overrepresentation. CDES has a societal and non-corporatist composition (Tapia, 2007). It is made up of businesses, unions, social movements, government representatives as well as intellectuals and prominent personalities in cultural and philanthropic activities. In 2003, 48 percent of council members were linked to the business sector and 11 percent to unions. This disparity continued and, in 2010, the distribution was 44.3 percent and 18.8 percent respectively (Araújo, 2012, p. 118).

CDES has an advisory character and expresses a social dialogue perspective. It was not designed to have legislative functions, but to support government decisions, and to formulate proposals to be forwarded to the President of the Republic. Its goal was to build a social pact, focusing on reversing the inequalities. At first, the discussion focused on pension, tax and labour reforms (Tapia, 2007), however this agenda did not prosper and the pension

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9 Although the FNT operating rules foresaw that in a “consensus” absence case, the final decision would be up to the government.

10 Discarded from the debate and historically opposed to official union structure changes, the confederations created a parallel forum, the Labour Union Forum, to express their differences and articulate their resistance. A law recognizing union federations was adopted in 2008. It establishes criteria for representation and ensures the remit of 10 percent of the compulsory union membership levy (paid by every worker, whether he or she is a member of the union or not) to the officially recognized union federation.
reform implemented in 2003, which affected civil servants' retirement, was not the result of council discussions. After the "monthly allowance" crisis, the discussion turned to the construction of a National Development Agenda, approved in 2005. Although the analysis of CDES's ability to influence the government's strategic decisions are not conclusive, Tapia (2007) believes that the Agenda would have influenced the Growth Acceleration Program (PAC), approved in 2007, particularly with regards to the need for investment in infrastructure. The Agenda envisions development with income distribution and gives great importance to education, which is certainly an issue in the interest of workers; however, this is not a typical union agenda.

Union federations have an extensive list of demands, and few have been discussed in the tripartite forums. Whereas the previous section suggested the major unions have shared a neo-developmental government agenda, this section indicates that they tried to intervene on the key government policy decisions. However, the two main measures on the union agenda that have been approved by the government have not gone through mediation in the tripartite forums, as we shall see in the following section.

4 Intense institutional activity, limited intervention

Despite their organizational division, union federations have at times presented common demands and a certain unity of action. The list of common demands comprises the minimum wage recovery, the reduction of the workweek from 44 to 40 hours, the end of unfair dismissal, the signature of the 151 ILO convention, the end of the social security factor, the end of outsourcing, increased resources for education and increased public investment. However, among these listed proposals, the only one actually approved was the policy for adjusting minimum wage, the result of an agreement negotiated between the union federations and the government in 2007. The other demands are part of the Labour's Positive Agenda, prepared by the Interunion Department of Parliamentary Advice (DIAP) and supported by six union federations (CUT, FS, NCST, UGT, CTB and CGTB). This agenda was sent to the National Congress in May, 2009. Convention 151 of ILO (International Labour Organization), which deals with civil servants collective bargaining rights, was enacted by a presidential decree in 2013, however it still lacks regulation.

Labour’s Positive Agenda was the basis for the preparation of the Working Class Agenda For Development with Sovereignty, Democracy and Respect for Labour, presented by CUT, FS, CTB, CGTB and NCST to the 2010 presidential candidates. This agenda contains a positive assessment of Lula’s government and advocates the election of "candidates committed to working class ideas" trying to consolidate and extend the achievements obtained during PT administrations.

With the presidential elections approaching, in 2014, the same proposals, which were also supported by UGT at the time, were taken up (Centrais, 2014a). This indicates that after four years, there has been no progress regarding the incorporation of union demands.

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12 Civil servants, a sector with a large labour movement and with great presence within CUT, had their pensions reduced. The reform equaled the public sector retirement to the private sector, setting a maximum value of the benefit. Thus, new government employees no longer have the right to a retirement equivalent to their full salary. Civil servants already retired, in turn, began contributing 11 percent of their retirement value that exceeded the maximum value imposed. The reform also established a supplementary retirement for those who wish to increase their benefits value, and extended to unions the ability to create pension funds to supplement the retirement. This reform was a major reason for the creation of Conlutas and Intersindical, union federations that mainly organize civil servants unions.

13 Through the agreement bargained between the unions and the government in 2007 and expected to last until 2023, the minimum wage will be adjusted annually by the rate of inflation plus the last year GDP growth.

14 This measure, introduced by the pension reform undertaken by the government of Fernando Henrique Cardoso in 1998, aims to encourage private sector workers to delay retirement, as it cuts the value of pension by up to 40 percent.
To better evaluate the capacity of union intervention, we choose to compare the demands written in documents drawn up by union federations with legislation under review by the National Congress. DIAP systematically monitors the draft bills of workers' interests and discusses their effects on union and labour rights. These projects were brought together in the document *Workers' Legislative Agenda in the Congress* (Diap, 2013a), which provides various content information on the proposals and their authorship, allowing the reader to identify measures in support of workers and union organizations, as well as those that damage union and labour rights. Although there are a number of measures of which the consequences are complex and do not allow a simplistic classification, the majority of the proposals may be classified. To perform this procedure, we look also to the *Industry's Legislative Agenda*, created by the largest Brazilian employment and business organization, the National Confederation of Industry (CNI, 2014), which evaluates the draft bills as convergent or divergent to their interests.

Of the 102 proposals considered by DIAP, we classified 24 as contrary to the workers' interests, three as contrary to the unions, 38 as favorable to workers and 14 as favorable to unions. Among the 52 proposals favorable to workers and unions, only five were submitted by opposition parties, with the remaining (42) from PT initiatives and other governing coalition parties. The two main governing coalition parties (PR and PMDB, which held the vice-presidency between 2003-2010 and 2011-2014) were responsible, respectively, for the presentation of three and seven draft bills contrary to workers' interests.

Among the proposals set out in union federations common demands we highlight the presence of draft bills related to the reduction of workweek to 40 hours (this subject has been considered by two proposals in the Congress since the 1990s), the end of social security factor, the end of unfair dismissal and the outsourcing regulations. As one might expect, all these proposals are evaluated negatively by the employer's document.

Regulating outsourcing has caused several controversies. In the mid-2000s, all union federations began to criticize the measure saying it was promoting precarious working conditions, rejecting the draft bill 4330/2004 that releases outsourcing to all types of activity (convergent project with CNI interests). However, while Conlutas and Intersindical advocate the end of all outsourcing, including the so-called support business activities, other union federations, even though they support the idea of ending outsourcing, understand that it is not about banning it peremptorily, but about regulating it. These union federations presented an alternative draft bill, which establishes a restrictive outsourcing regulation and prevents it from being used in relation to core company activities.

Employers' opposition to the workers interests can be observed not only in the *Industry's Legislative Agenda*, but also in a document created by the National Confederation of Industry with proposals to "modernize" Brazilian labour relations (CNI, 2012). This document contains ideas disseminated by employers' organizations since the early 1990s, among which includes the derogation of labour laws through collective bargaining and the reduction of the labour rights, in order to obtain minimum legislation (Galvão, 2007).
Although union federations oppose the employers' proposals, we shall see, at the end of this article, that they are nonetheless influenced by some elements of the "modernization" speech.

5 Manifestations and proposals: agreements and disagreements

Political moderation does not mean the absence of strikes and mobilizations. We shall show, in the this section, the major mobilizations related to union federations' demands and shall indicate some of the sources of conflict between the minority and the hegemonic labour movement, a conflict caused by the heterogeneity of concepts and union practices. Between 2003 and 2009, the hegemonic union federations, along with other social movements, promoted six national marches "of the working class"; in 2009, they performed two unified actions against the effects of the economic crisis. Unified campaigns and actions were discontinued between 2010 and 2012, due to different stances taken during the 2010 presidential elections and distinct evaluations of Dilma's government. In 2013, there was the seventh edition of the working class march and in 2014 a new march was promoted.

The annual working class marches brought together somewhere between 20,000 and 50,000 workers, a very small number when compared with the size of the Brazilian labour force or even with the number of unionized workers (according to the Brazilian Institute of Geography and Statistics, IBGE, in 2009 there were 92 million employed, 17.7 percent of whom were unionized). This data is even more significant when contrasted with the thousands of people who took to the streets in June 2013, in demonstrations not organized by union federations and in which protesters carrying union flags – as well as political parties' flags – were harassed. The two unit national days of struggles and strikes, in July and August 2013, convened by the union federations with the goal of "advancing the workers' agenda at the Congress" did not reach the same size as the events of June, despite the wide agenda of demands.

Between the first march, in 2004, and the last, in 2014, there was an expansion in the list of demands, going from the increase in minimum wage and income tax table correction to: shorter workweek of 40 hours without a reduction in pay; end of the social security factor; 10 percent of GDP for education; collective bargaining in the public sector; land reform; equal opportunities for men and women; fighting against unfair dismissal; recovery of pensions policy; 10 percent of the Union budget for health; rejection of the enlargement of the outsourcing draft bill; the end of oil auctions; improved public transport quality.

The unity of action in the marches comprises the hegemonic unionism, since the minority pole, represented by Conlutas and Intersindical, believes the demands are limited, and conceal the union federations' willingness in negotiating with the governments lowered targets (Almeida, 2008). Even with the expansion of list of demands in 2013 and 2014 and agreement regarding its content, minority union federations did not participate in the assembly of the marches, understanding they do not blame the government for the worker's situation, and that they are used to supporting the government and not to confronting it.

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18 On the contrary, as indicated by Boito and Marcelino (2010), strikes have grown since 2004.
19 We must consider, among the factors explaining these low ratings, the mobilization difficulties in such an economic context: despite the economic crisis of 2008, the average annual GDP growth was 4 percent in the 8 years of Lula's government (2003-2010). The average of Dilma's first mandate was significantly reduced, falling to 2 percent between 2011 and 2013 and has continued to fall since then, which is one reason, among others, to increase the opposition to her administration.
20 The marches [...] first you had to see what the main agendas are, but generally they did not attack the government [...] if you will attack the project of a government, you also have to attack, or at least say who sponsored [...] these projects [...]. Our [position] when we march is really to criticize the government, to denounce the government." Interview with Altino Prazeres, President of the Subway Workers' Union of São Paulo and member of the National Coordination of CSP-Conlutas, on August 29th, 2014. "We agree a lot with
On the other hand, they have signed draft bills together with the hegemonic union federations in order to build unity of action, on the understanding that the approval of these projects can improve working conditions\textsuperscript{21}.

Differences between hegemonic unionism and the minority pole can be seen by discussing points that are apparently unanimous among union federations. Four examples allow us to indicate some of these differences, as well as illustrate the political moderation that characterizes the peak of the Brazilian labour movement. Outsourcing, as we have already mentioned, the end of social security factor, the Specific Collective Agreement (ACE), and the Protection Plan of Employment (PPE).

Although all union federations demand the end of the social security factor in relation to the calculation of pensions, CUT, FS, UGT, NSCT and CGTB signed an agreement with Dilma's government replacing this 40 percent reduction mechanism by the 85/95 rule. Under the rule a reduction would not be applied to insured persons when the sum of their age plus years of contribution to social security is 85 years (women) or 95 years (men)\textsuperscript{22}.

The differences between union federations also extend to measures that potentially risk promoting flexible labour relations. One of CUT's most important member unions, ABC Metalworkers' Union, presented the Collective Bargaining Agreement with Special Purpose proposal to the government in 2011, authorizing unions to negotiate with employers whose clauses derogate the Brazilian Labour Code, the Consolidation of Labour Laws (CLT)\textsuperscript{23}. For such prerogatives, unions must represent more than half of the category (in number of affiliated workers) and maintain a works council within the company with which it intends to negotiate (according to the most optimistic union estimates, there are only 200 companies with works council across the country). Unions with these two prerequisites should be able to perform such agreements, which must be approved by secret vote, with the participation of at least 50 percent of workers involved, for at least 60 percent of voters.

For the ABC Metalworkers' Union president, "the special collective agreement is a new tool

\textsuperscript{21}The workers' positive agenda at National Congress (Centrais, 2014b) recovers the same claims presented in the 8th march, but this time Conlutas takes part of it: "Conlutas is in favor of punctual unity of action when it is necessary, so we believe it is worth, if we are going to be part of a project, anything to improve the lives of workers, and this is possible and may favor [the worker], we are in. If there is strike, even governing's, we are going to [...] if the projects help, even if it does not work, because in there [in government] things are not working, but if you can dialogue with the working class ..." Interview with Altino Prazeres, President of the Subway Workers' Union of São Paulo and member of the National Coordination of CSP-Conlutas, on August, 29th, 2014. Intersindical did not adhere to the agenda, possibly because it was in a formation process as a union federation (founded in March, 30th, 2014), but participated in other institutional initiatives: "For example, we participated in the forum against outsourcing, because it is a different forum, it comes from here, Unicamp, it was born in the social movement. It was born with the unions, with the unions federations, it gets organized, organized to be able to have an agenda, a demand for the government, to charge it, it is different, it is not a pact as the minimum wage." Interview with Arlei Medeiros, director of the Chemical Workers' Union and member of the Intersindical National Executive, in August, 25, 2014.

\textsuperscript{22} According to the agreement signatories, "our proposal takes into account the need to preserve the system's sustainability and not just end up with a formula for calculation" (Centrais Sindicais, 2012, our emphasis). One must remember that the end of social security factor was approved in the House of Representatives and in the Senate in 2010, but was vetoed by President Lula.

\textsuperscript{23} As the explanatory memorandum of the proposed laws: "Recent attempts to promote reform of the labour relations system through social dialogue and tripartism, to define new instruments of union representation and collective bargaining, find difficulties among the conservative resistance of workers, employers and Law operators' representatives, due to the fear that the collective bargaining could threat labour rights and bring legal uncertainty for companies."
that should enable workers and companies to solve, with legal certainty, specific demands in the workplace without changing the legislation or put at risk labour rights guaranteed by the CLT (Consolidation of Labour Laws) and by the Federal Constitution [...] The special collective agreement is intended to stimulate dialogue, direct negotiation and honor the agreement as a way to modernize labour relations leaving nothing to be desired to any nation in the world” (Nobre, 2012)24. This proposal was accepted by CUT, but this acceptance generated internal criticism due to the flexibility threat it represented. The Protection Plan of Employment (PPE), negotiated between union federations and the government in 2014, is also controversial, to the extent that allows the reduction of working hours alongside wage reduction. Salary, reduced by an amount of up to 30 percent, would be paid by the company and supplemented up to a certain amount by the government. PPE could be used by companies which could prove that they were going through a period of crisis and it is seen by its supporters as a way to avoid dismissals. However, critics are concerned that it represents regression in labour law. This is, for example, CTB’s position, which participated in the negotiation and later criticized the plan (CTB, 2014). CUT, the main government partner in the negotiation, faces internal resistance from organizations which understand that the union federation should focus its struggles on defending and expanding rights, reaffirming its historic ideas by reducing working hours, without reducing wages (Contracs, 2014).

Differences between union federations reveal distinct conceptions of struggles that are better understood in the light of their positions with regard to government policies such as fiscal restraint. To limit the impact of the worldwide crisis Lula’s government agreed to several exceptions for corporations and, through the Banco Nacional de Desenvolvimento Econômico e Social (National Bank for Economic and Social Development—BNDES), financing at lower rates of interest. This policy culminated in 2011, early in Dilma’s administration, with the launching of the Greater Brazil Plan, which introduced tax incentives intended to stimulate the economy. The most controversial issue for unions was the replacement, in some sectors of the economy, of the employers’ social security contribution of 20 percent of their payrolls with new quotas of only 1–2 percent. According to the DIAP (2012, p. 12), this measure’s “consequence was a loss to the social security funds on the order of R$130 billion.”

While the CONLUTAS and the Intersindical opposed this sort of measure, citing their concern over the social effects of the decline in contributions, CUT argued that the agreements would provide compensating social benefits by retaining and increasing formal employment, combating high labour turnover, and ending modern slavery and child labour. It was not opposed to layoffs in themselves but objected to the absence of targets that would obliged the beneficiaries of these government incentives to undertake the promotion of “decent” working conditions.

The balance of power has shifted after the 2014 elections and trade union support for the government has changed since then. Although they never disappeared from the political debate, proposals such as fiscal austerity, rigor, labor market flexibilization, and a restructuring of social security by introducing a minimum retirement age returned to prominence in the context of the 2015 political and economic crisis, until finally an austerity program was adopted by Dilma’s second government. As this was regarded as a betrayal of electoral campaign promises, some unions’ federations, including CUT, beside the most important organizations in the landless and housing movement, organized protests against the economic policy of the government. As these protests ask for economic growth, social inclusion and national development, they also claim democracy and are against the

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24 We can draw a parallel between the union speech and the employer speech, as we saw when citing passages from the CNI document.
impeachment. A part of the Union Force, however, supports the request for impeachment and bases its opposition to the government on corruption allegations. And Conlutas meanwhile protests both against Dilma's government and the right-wing opposition parties, advocating the "go out all" speech.

6 Final Remarks

An analysis of the path of the Brazilian unionism during the PT governments reveals that the labour movement plays a political role, which varies according to the aims of the organization in question. Despite organizational divisions, union federations have presented a common agenda and a certain unity of action. Union federations increased their institutional participation and presented a number of proposals to PT governments. These proposals, especially those representing a substantial expansion of rights, such as the reduction of workweek hours, have not found a favorable reception in the political system. The marches – episodic and with low compliance – have been insufficient in forcing greater adoption of the union agenda, whose main features remain unchanged.

Heterogeneity of concepts and union practices, their different strategies and forms of struggle, generate tensions and conflicts, especially among the minority and the hegemonic labour movement. Differences are in part due to the willingness of some unions to negotiate with government, and to be more receptive towards employers’ discourse, with the result that they moderate their demands. These conflicts interfere with agenda approval, making it difficult to set up a broad program unit. They also mean that sometimes demands and claims are agreed, but that they are not always understood and defended likewise.
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