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Rua General Bagnuolo, 1026/06
Vila Prudente
São Paulo, Brazil 03152

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Striking Impressions

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Mr. Peter Martin
Institute of Current World Affairs
4 West Wheelock Street
Hanover, Nh 03755

Dear Peter,

If I'm arrested, how do I explain this to the Institute? I thought at 3:00 a.m. on the morning of March 14, as the car bumped along the pot-holes of the Vila Alpina, in the Zona Leste (Eastern Zone) of São Paulo. I was accompanying a friend who was driving three young revolutionaries to their posts for the two day General Strike that was beginning that day. Their mission was to try to impede the departure of buses from the garages, since it was clear even to the most romantic of union leaders that the success of the strike depended on paralyzing public transportation in the city. We drove in nervous silence, on the look-out for police vehicles that were already beginning to circulate. The climate of apprehension and possible confrontation with the police only added to the seductive excitement of the moment for these young "militantes", tired of months of long meetings in which much gets said and little done. "Now we finally have some action" said one friend with adolescent glee, notwithstanding the fact that he is in his thirties, married, with two children. This was the day finally of doing, of imagining that one was back in the days of the urban guerrilla resistance to the military regime, so romanticized by young militants who often feel frustrated by the slow pace of political mobilization in a democracy.

Riding alongside these tense and self-important young revolutionaries, I was struck by a certain element of caricature in the moment. This was not the guerrilla, nor the dictatorship, but merely a handful of near adolescents out to puncture a few tires. I felt a desire to laugh, and at the same time, a sudden maternal impulse. But the last thing they wanted from me right then was a hug. As we dropped them off close to the garage and they strode decidedly away into the still misty dawn, I reflected that the comic element in the posture of such militants is their sense that the success or failure of the movement depends on them, on whether they are there ready to toss "miguelitos"* in the path of that bus at exactly that moment, and thus guarantee the success of the strike. Now they were doing, but just what were they doing, why, and what effect would it have? The answers were not often clear, and frequently contradictory. The truth is that the action of such activists was only a small part of the events and significance of the general strike of March 14 and 15. What follows is a brief look at some of the themes of those days.

* "miguelitos" are small pieces of bent iron for puncturing tires.

Ann Mische is an Institute Fellow studying youth and educational movements in Brazil.

Plan after plan . . .

Those who read my last newsletter will know that the two central union associations in the country, CUT and the CGT*, are not exactly partners in the labor movement. CUT, the more radical of the two "centrals", irritates the CGT by incorporating political criticism into its union negotiations ("what does salary recuperation have to do with non-payment of the external debt?"), while the more moderate CGT infuriates CUT with its conciliatory attitude, not recognizing that the interests of capital are in "unreconcilable opposition" to the interests of the workers. But by force of political and economic circumstance, the two organizations momentarily overcame their differences to organize a nationwide protest against the economic policy of the government. The principal target of the protest was the Plano Verão (Summer Plan) launched on January 15. This anti-inflationary package was designed to "shock" the economy with a series of strong interventions, including a freeze on prices, the elimination of monthly wage adjustments (giving a single adjustment based on the average salary level of last year), and the elevation of interest levels to curb consumption and stimulate savings. The plan also included the dismissal of public employees and the cutting of three zeros off the currency, transforming the cruzado into the "cruzado novo", which was devalorized 17% in relation to the dollar.

The Plano Verão is the fourth in a series of economic packages launched by President José Sarney's successive finance ministers since 1986. The first was the Plano Cruzado of March of 1986, which froze prices and wages while cutting three zeros off the currency of the time, turning the cruzeiro into the cruzado (this alone offers a dramatic glimpse of Brazil's inflationary situation - the country has had to chop six zeros off its currency in just three years!). The Plano Cruzado was extremely popular in its initial stages, and with the help of housewives who went to the supermarket armed with price lists to enforce the freeze, inflation remained under control during the eight months of the plan's existence. The price controls were kept in effect, rather conveniently, until the elections of November, 1986, creating an artificial climate of well-being that helped to guarantee the massive victory of governors, senators, and representatives of the PMDB, Sarney's official party. The illusion of stability was shattered four days following the elections, when the government announced the Plano Cruzado II, releasing prices all at once while continuing tight controls on salaries. Inflation skyrocketed, salaries suffered an abrupt loss in buying power, and a strong sense of betrayal began to permeate the working population. In July of 1987, the Plano Bresser was announced. Prices were tabled once again and salaries received a new system of tri-monthly readjustments. The plan failed to control inflation because there was no way to enforce price controls, especially since the popular enthusiasm and participation of the Plano Cruzado was decidedly not there.

Throughout this period the labor movement, and especially CUT, positioned itself in opposition to these plans. CUT, together with the closely associated PT (Worker's Party), confronted public opinion by denouncing even the popular Plano Cruzado as an illusory measure that did not attack the structural causes of inflation, which these groups believe to lie in the external debt. They criticized all of Sarney's economic plans as concessions to the IMF to control inflation by means of salary erosion, rather than going to the roots of the problem. In the words of the national executive board of CUT, "once again, it is the workers who will pay." In December of 1986, CUT organized its first national-scale general strike to protest against the

* CUT - Central Única dos Trabalhadores ("Sole" Workers' Central)

CGT - Confederação Geral dos Trabalhadores (General Workers' Confederation.)

salary losses of the Cruzado II. According to press estimates, this first strike succeeded in mobilizing 30% of the population. The second general strike was organized in August of 1987, to protest against the salary loss of 26.05% implied by the Plano Bresser. Although both CUT and the CGT collaborated in the organization of the strike, it mobilized only 20% of the population and failed dramatically in such industrial center as São Paulo.

This year CUT and the CGT resolved to try again, counting on deepening public disillusionment with multiple failures to bubble over into a mass-scale protest. Although modest expectations were raised at the start of the Plano Verão, the public took a generally skeptical attitude, especially when the salary losses involved became public. After much pressure from the unions, the Work Ministry has admitted salary losses of between 4.2% to 17.5%, depending on the annual readjustment date of each category. The calculations made by the statistical research organ of the unions, DIEESE*, are much higher, setting losses at 33% to 45.6%. And while prices have remained more stable than previous to the plan (the monthly inflation of January was over 60%), the February rate was not zero, as the economic planners had hoped, but had reached 3%, and the March rate was creeping up to 6%. So-often discredited, Sarney was once again losing face.

In this climate of skepticism, the unions set the date for two days of national work stoppage. For the "combative" unionism represented by CUT, a general strike is the constantly-sought dream, replete with pre-revolutionary mystique, although union leaders took care to insist that they had no revolutionary illusions now, but were merely trying to amplify the space for protest and participation by the workers within the limits of Brazil's democracy. They succeeded in gaining the support of the CGT, whose goal is certainly not revolutionary, because the leaders of the CGT felt betrayed by the government in their recent attempt at a "Social Pact" between government, employers, and unions, a pact in which CUT had refused to participate (see AEM-14). But popular skepticism is not the same thing as political mobilization, and up until the final days before the strike it remained a dubious question as to whether the population would respond to the appeal of the unions to turn their daily complaints into active protests. The business community, represented by FIESP (Federation of Industries of São Paulo), immediately declared that the strike would fail, since the country was moving into a recession due to the high interest rates of the Plano Verão, and workers don't strike when they fear unemployment. The government wasn't so sure, especially given the recent violence in Venezuela due to a similar economic policy of salary erosion as part of negotiations of the external debt. To avoid the possibility of a similar explosion in Brazil, the Work Ministry convoked a series of negotiations between unions and business leaders to try to reach an accord before the strike.

To put things briefly, the accord failed, and the strike occurred. To the surprise even of the union leaders, more people did not appear at work on March 14 and 15 than during any of the previous attempts at a general strike. There is, of course, a wide divergence about numbers, with CUT and the CGT declaring that 70% of the population adhered to the strike, while FIESP insisted that only 30% of the workers didn't show up. But in any case, no one denies that this was the biggest strike of national scope in Brazilian history. The debate has moved to a different level. Who was it, exactly, who went on strike, and why? In analysing this question we begin to separate the conflicting views of what happened on March 14 and 15.

* DIEESE - Inter-sindical Department of Statistics and Socio-economic Studies.

Who went on strike?

There are at least four possible answers to the question of who actually adhered to the general strike. Each answer reflects a particular political viewpoint:

1. The population. This, of course, is the answer given by CUT, the CGT, the PT, and other groups on the left. A statement issued by the National Executive Board of CUT on March 16 declared that the workers as a whole had adhered to "a victorious general paralyzation, that expressed in unequivocal form the repudiation by the workers and the population of the economic policy of the government, and their firm disposition to demand recuperation of salary losses." According to reports in the mainstream press, twelve state capitals were almost completely paralyzed, including Rio, Recife, Salvador, Manaus, and others. In São Paulo the stoppage was partial, but far greater than in 1987, when most of the population simply did not know the strike was going on. In the city, schools closed completely, banks and stores operated partially, and most of the chemical, plastics, and metal industries had complete or partial stoppage. Public servants also adhered heavily to the strike, encouraged by the fact that mayor Luiza Erundina, of the PT, openly supported the strike and had declared there would be no reprisals against those who chose to adhere. Among striking municipal employees were the bus drivers, who paralyzed completely the circulation of the municipal buses, accompanied by the drivers of private companies, who stopped partially.

2. The buses - One fact that somewhat tampers the euphoria of the union organizers is the essential role the paralyzation of the buses played in the success of the strike. Of the 10 thousand buses in the city, only 1,100 circulated during the strike, all of them from private companies. This meant that a large number of workers had no way to get to work. This in turn meant that their decision to stay home was not necessarily a decision to adhere to the strike. The day before the strike, I spent over an hour in a bank line, since we had been advised by the unions that the banks would be paralyzed (an assertion refuted by the banks, but we weren't taking chances.) The conversation on line was about whether or not to adhere to the strike. "If there are no buses, I'm staying home," I heard more than one person say with clear satisfaction, in much the same way I remember talking of "snow days" when a school-girl. "I think the strike is right," I heard another woman say. "Someone has got to change this mess. But if the buses run, I have to work. The boss said he'll cut off a week's salary from everyone who doesn't come."

My impression was that people felt sympathetic with the objectives of the strike, springing from a deep dissatisfaction with the economic situation. But most were unwilling to assume personal responsibility for an active decision to adhere. It was easier to take the passive position of blaming it on the buses, especially in the face of strong pressure from employers to go to work. This vacillation on the part of a large segment of the population was a sore ankle for those sectors of the left that place a high value on the conscious political participation of the people. Despite CUT's declaration to the contrary, the adherence of the population to the strike was not "firm" or "unequivocal", or as the key word here would have it, "conscientious", with the possible exception of the more organized union categories, such as teachers and the metal and chemical industries, which voted for a unified adherence to the strike. But most people let the bus drivers make the decision for them, leaving as an open question whether that decision was in accord with or contrary to their own desires.

3. Militants of the left - The day before the strike, the Minister of Justice, Oscar Dias Corrêa, went on national television to warn the population that the government had received intelligence of extremist groups, unconnected to the coordination of the strike, which had infiltrated the movement and were planning acts of terrorism and violence during the strike. The government was obviously afraid of a repetition of the intense street violence two weeks earlier in Venezuela, in which over 300 people had died. The leaders of CUT and the CGT immediately denied the existence of such groups, insisting that the strike would be a peaceful and democratic act of protest on the part of the population, guaranteed by the new constitution. The reality was somewhere in between the two declarations. The organized terrorist action predicted by the government did not occur, and the minister was left looking foolish, ridiculed by several of the principal political columnists in the country. On the other hand, the conduct of the militants of the unions and parties of the left was not as completely "peaceful" as the unions leaders had declared.

As I indicated in the opening of this letter, most militants of the left felt that the responsibility for the success or failure of the strike rested with them. When I say "militants" I am not referring to the leadership of the unions or the PT, nor to armed terrorist bands, but rather to those activists of the "bases", as they are known here, or the "grass roots", as North-Americans say. The militancy makes up a close-knit social community, united by meetings of local nuclei of the party or the social movements, and by activities such as rallies, pamphleting, debates, and sessions drinking beer or pinga in the local bar. As I said earlier, these local groups were tired of endless meetings and exuberant with the opportunity for action. Their strategies for supporting the strike ranged from mild destructive acts such as puncturing tires and breaking windows of buses, to non-violent street manifestations such as marches or rallies, with the goal of alerting the local population as to the political message of the day. In my neighborhood, a group of militants formed a citizen's commission to block bus passage in a main commercial intersection, by occupying the street and inviting passengers to descend. Much to my surprise, given the fact that that the group of about 20 was unarmed and composed mostly of women and youth who used chants and applause as their only means of persuasion, seven or eight buses were almost completely emptied in this fashion, until the police got wise and began sending the buses by another route. The atmosphere was even festive, with a crowd gathering to watch, some cheering and others booing the protestors, while the police looked on, going so far as to allow five minutes for the commission to make its "invitation".

In other regions where the strikers resorted to more violent measures, the police went into action. According to the state Secretary of Security, 366 buses were damaged and 130 arrests made in the state of São Paulo during the two days of the strike. Most of these incidents occurred in the poorer regions of the capital, particularly in the Zona Leste, where I live. And most did not appear to be spontaneous "quebra-quebras" (break-all riots) on the part of the population, but were organized by local militants eager to show their claws and make political statements, much like the incident described above, whose principal purpose was to "conscientize" the local inhabitants. The incidents were as a rule limited in scope and adolescent in nature, and as commented in the Folha de São Paulo, the city's principle newspaper, "nothing more than the daily violence the population has become accustomed to in a city like São Paulo." Certainly nothing to justify the terrorist fears of the Minister of Justice.

On the other hand, these incidents expose once again the sore ankle of the left. Any militant will admit that the real goal of such actions is not to present a show for the onlookers, but to convoke the population to join in the

protest. As a petista friend commented, the would-be guerrilla "always suffers from the illusion that once he throws the first stone, the repressed anger of the population will explode and the people will carry on the fray." This spontaneous adhesion rarely occurred, with most observers remaining on the sidelines. One exception was a rally in the Vila Santa Madalena, one of the poorest neighborhoods of São Paulo's periferia (outer edges), where the suffering of unemployment, low salaries, poor conditions of health, housing, transportation, education, is most intense. A march that began with a handful of 20 militants began rapidly gathering adherents along the way, until at its final rally in a government housing project, the crowd had reached nearly 2000. The militants were exuberant - their militancy was finally "working", and the masses were rallying to their side. Were they? Certainly the militants had tapped into the volatile situation of social unrest in a region of extreme material suffering. But was this yet the "conscious political organization of the masses" that the left so hungers for?

One catches here a tension between models of social change on the left. One model, that of the urban guerrilla movement of the 1960's and 70's, values the spontaneous eruption of the masses sparked by the leadership of a small politicized "vanguard". The other model, emerging in the popular movements of the late 70's and 80's, values the slow process of "conscientization" of the people, through community dialogue and political organization. In the intense agitation of the strike, it was easy for militants to confuse the two, mistaking the spontaneous gathering of an angry crowd for organized political protest, and thus over-estimating the real political mobilization of the people. The truth is that while the participation of the population in social movements, unions, political parties, and other citizen's organizations has grown considerably in the past few years, and in fact contributed to the increased success of the strike, such organization is still weaker than militants would like to imagine. The "masses" while drawing closer, remained mostly on the sidelines, leaving the militants to put on their show.

4. Luiza Erundina - In the heat of the strike's first day, the infuriated talk among the business community was that the strike had failed; what had occurred was a lockout by Mayor Luiza Erundina of the PT against the workers of the city. Erundina, they declared, was inciting the strike and failing in her responsibility as mayor by withholding from circulation the municipal buses, which provide 30% of the city's transportation. In the words of an editorial attacking Erundina's support of the strike, she had "stopped being mayor of São Paulo to become merely a militant of the PT."

The assumption behind these accusations is that elected leaders cannot actively support a manifestation such as a strike, having an obligation to stay "neutral", or "above class interests". That is, while they must respect the right to strike, guaranteed by the new constitution, they had the obligation to guarantee the right to work, by maintaining the buses on the streets at all costs. One has to question who is favored by this so-called "neutrality", especially since no one in the business community had protested when Governor Quéricia or previous mayor Jânio Quadros had violently repressed strikes during their administrations - were they, in these cases, acting "neutral"? Erundina and other mayors of the PT rejected the argument of neutrality, declaring that coherence with the political principles on which they had campaigned demanded an active position of solidarity with the protest of the workers. Besides, as Erundina argued in a statement of March 16 defending her position during the strike, city governments also "suffer from the disastrous effects of this economic policy, not having resources to attend basic needs in the areas of housing, food, health, education, environment, transportation, etc." As mayor, she therefore considered it an obligation to join in the protest against the federal government's economic policy.

Even so, Erundina had not, as the business community accused, withheld the buses from circulation; she had merely respected the decision of the drivers to adhere to the strike. She was also conscious that as mayor, she could not place the administrative machine of the city at the service of the strike, limiting her support to moral solidarity, while guaranteeing the functioning of essential services such as emergency hospital care, traffic control, funeral services, etc. But she declared that there would be no reprisals for municipal employees who decided to strike, other than the routine measure of losing a day's salary ("after all, a strike is not a holiday, and the workers should take responsibility for their decision"). This policy extended to the bus drivers, and it was here that the business community and the political establishment found her tolerance unacceptable. Governor Quéricia offered her the service of the military police to accompany and even drive the municipal buses if necessary, to guarantee transport and prevent destructive acts. She refused the offer, further infuriating the economic powers of the city. Her intransigence has won her some legal and political difficulties; several state legislators have opened suits against the mayor, contesting the constitutionality of her support for the strike, which could lead to a legal challenge to her mandate. This is one more headache for Erundina, who has spent the first three months of her mandate struggling against the current of financial, administrative and political difficulties in a system not yet reconciled to the idea of a woman and a socialist holding the reins in São Paulo.

Signs of transition

When one looks beyond the declarations of the left that the population "as a whole" had adhered to a victorious general paralyzation, and the declarations of the right that the strike was a fabrication by Luiza Erundina, one can see how the strike expresses the subtle social contradictions of Brazil's political moment. One sees a dissatisfied population still easily intimidated by the threats of employers, an energetic left at times confused by its own ideological romanticism, a panicky government that alternates democratic discourse with old anti-Communist diatribes, and an economic establishment that acknowledges the right to strike but holds fast to its alliance with government against the political mobilization of the workers.

In the aftermath of the strike emerge at least two important signs of Brazil's political transition. First, the strike provided a test of the new constitutional principle of the right to strike. The constitution approved last October did away with the old division between "legal" and "illegal" strikes, which had justified the repression of any labor conflict the government felt to be inopportune. The worker's now have the unlimited right "to decide about the opportunity to exercise (a strike) and about the interests they defend by means of it." This principle had been approved over the protests of the right, which wanted to prohibit "political" strikes, limiting the right to strikes of economic character; that is, those which stick to salary negotiations. They lost the battle in the constitutional assembly, but the division between "political" and "economic" strikes returned in the debate about general strike. The Minister of Justice, for example, in the same discourse alerting the population of possible terrorist action, declared "inadmissible" a strike that is "merely political". Employers also used this argument to dissuade workers from striking, playing on the general distaste of most Brazilians for all things considered "political", a distaste that had been cultivated by the military regime.

The unions responded that the strike was both economic and political, making demands for recuperation of salary losses while expressing a strong protest against the economic policy of the government. A clearer analysis

reveals that one cannot separate the two "types" of work stoppages; the economic is political, as acknowledged by an editorial of the magazine, Isto É/Senhor, which represents the "new businessmen" described in my last newsletter (AEM-14): "The inquisitor of strikes always rushes to declare them political, who knows in the hopes of alerting some general. He condemns as mortal sin that which is merely inherent in the nature of any strike."

In any case, the fact that ^{such a strongly political} strike occurred without greater incident than the destruction of a few buses, and that both the police and the unions maintained a basically pacific, restrained relationship in carrying out their respective roles, reinforced the constitutional right of the workers to strike when and about what they decide is necessary. When one considers that scarcely over ten years ago strikes were still subject to brutal repression by the armed forces, and that just last year Governor Quérocia called in cavalry and shock troops to break up a demonstration of striking teachers, one can appreciate the significance of a national strike of this scale. If the political and economic establishment were not to happy with it, they at least did not use force to restrict it, finding themselves obliged to acknowledge the legitimacy of the strike as a tool of negotiation.

A second sign of transition is the growing acceptance of the principle of negotiation between unions and employers. On the second day of the strike the Work Minister, Dorotea Warneck, proposed the formation of a "National Forum on Salary Negotiation", to discuss with government, unions, and employers the recuperation of salary losses caused by the Plano Verão, losses which two weeks earlier the government denied existed. While Warneck denied that her proposal was a consequence of the strike, it is certainly one more sign that the unions are moving towards the center ring of the decision-making structures, rather than continuing to pound on the door of the circus. And the fact that CUT resolved to participate indicates that even the more radical wing of unionists is overcoming its traditional reticence to negotiate, opening the path for unions to seek discussion with government and employers without abandoning their radical postures.

That doesn't mean that the unions can carry the show; as I finish this newsletter, the negotiations of the Forum have been going on for a month and have reached a deadlock. The government insists that any salary readjustment cannot be re-passed by the businesses to prices, which would destroy the anti-inflationary measures of the Plano Verão. The businesses, represented by FIESP, have declared that the most they can offer without raising prices are readjustments of 7% to 15%. The unions, and especially CUT, which accepted for the first time the principle of negotiation but did not agree to collaborate in the protection of the Plano Verão, continue to insist on reajustments of 40% to 49%. With the failure to reach an accord, the government has decreed a provisional measure giving a readjustment of 11.74% to 13.58%, well within the range proposed by business. As I said, unions are participating in the decision-making, but it is still rare that they can win.

At the moment CUT and the CGT are threatening to call another general strike if the government refuses to negotiate a more acceptable salary proposal. Another general mobilization so soon after the last will probably be very difficult to accomplish, a fact that reduces to some degree the bargaining power of the unions. But whether or not they win this battle (and they probably won't), the experience of the strike indicates that the voice of the Brazilian labor movement is gaining in strength, despite the internal conflicts that continue to plague it.

Received in Hanover 5/9/89

Um abraço, *Am. M. M.*