

THE ROLE OF ORGANIZED LABOUR IN LATIN AMERICAN DEMOCRATIZATION PROCESSES

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Abstract- The comparative literature dealing with regime transition in Latin America since the 1970s has viewed critically the role of civil society, particularly organized labour, in promoting democracy. While seen as positive for furthering democratization and liberalization during early transitional stages, subsequent mass popular action has been considered an endangerment to the stability of democratization. The time is ripe to reconsider the value of a dynamic civil society – exemplified by organized labour – in achieving quality democracy in Latin America. Specifically, since socioeconomic equality and inclusiveness are key aspects of quality democracy, it is not feasible to assume that this can be achieved without concerted efforts from those sectors that have been immobilized and excluded in current low quality Latin American democracies.

Introduction

The comparative literature dealing with regime transition in Latin America since the 1970s has largely overlooked the instrumental role of popular pressures in promoting democracy, focusing instead on individual political actors.¹ In fact, the "resurrection of civil society"², and especially organized labor's role within this, has been viewed very critically. While seen as positive for furthering democratization and liberalization during early transitional stages, its subsequent activities have been considered an endangerment to the stability of democratization. According to much of this literature, civil society demobilization, or a "phase of restraint"³, in later transitional stages is crucial to the transition's continuation in the face of ex-authoritarian elites⁴ and

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¹ Collier, 1999: 6-7.

² Civil society is an arena of voluntarily organized, state-independent, self-sufficient social groups that are concerned with public issues and attempt to hold the state accountable without directly seeking political power (Diamond, 1994: 5-7). The "resurrection of civil society" refers to civil society's repoliticization after its freedoms of expression and participation have been suppressed by authoritarian regimes (O'Donnell and Schmitter, 1986: 48).

³ Valenzuela, 1989: 450.

⁴ "Elites" are socially, economically, or politically powerful groups, including the upper-middle and upper classes; professionals, managers, and big business; and political incumbents. They are the groups included in decision-making and negotiations with the regime, as opposed to those "without political rights or accepted institutional avenues of participation" – the lower and lower-middle classes (Collier, 1999: 17-18).



conservative forces' fears of social and economic instability. The time is ripe to reconsider the value of a dynamic civil society in achieving quality democracy in Latin America. In particular, this paper will address the role and behavior of organized labor.⁵

O'Donnell and Schmitter's (1986) article is the founding piece of a body of literature dealing with transition to democracy, which includes the expectation that an enduring pro-democracy "popular upsurge" will trigger an authoritarian regression by coup.⁶ Valenzuela's (1989) piece on labor movements in transitions builds on this framework, focusing on organized labor as a special case within civil society. Labor's organizational networks, politically shaded history, and ability to directly affect the economy, make it an exceptional pro-democracy force, as it can mobilize relatively easily and often has an existing political agenda for opposition to the authoritarian regime. Yet, its potential political influence and organizational strength also make it a force with a remarkable ability to destabilize society and the economy through protests and strikes. For this reason, Valenzuela – and others – believe that a rapid demobilization is needed as soon as the objective of liberalizing the authoritarian regime has been reached.⁷ Subsequent research slowly moved away from the importance of elite pacts⁸ to democratic stability, to place more weight on the need to hold political leaders, including transitional and post-transitional ones, accountable. This came mostly from the realization that the arrangements and pacts that made the transition possible may actually be detrimental to prospects of institutionalizing a democratic regime.⁹

O'Donnell and Schmitter (1986) define transitions as evolutions from authoritarian regimes to "something else" – democratic, revolutionary, or authoritarian regimes, or even confusion.¹⁰ For the purposes of this paper, however, transitions will be considered as movements from authoritarian regimes toward some type of democracy. They begin with liberalization – the gradual reinstatement of civil liberties by the authoritarian regime – and end with the first democratic (free, fair, and universal) elections. Democratization,

⁵In this paper, "organized labor" used synonymously with "labor", "labor movement", and "unions") refers to organized groups of workers collectively striving to achieve a common goal. The origin of common goals will tend to lie in material demands (higher wages, better job security, better benefits, etc.) directly related to the workplace, but these demands may be manifested in political terms if the collective or its leaders regard political change as advantageous to goal achievement. This definition is based on Collier (1999: 15-17) and Bellin (2000: 179).

⁶O'Donnell and Schmitter, 1986:24,54-55; Valenzuela, 1992: 84-5.

⁷Valenzuela, 1989: 447, 450.

⁸"A pact can be defined as an explicit, but not always publicly explicated or justified, agreement among a select set of actors which seeks to define (or, better, to redefine) rules governing the exercise of power on the basis of mutual guarantees for the 'vital interests' of those entering into it." (O'Donnell and Schmitter, 1986: 37)

⁹See Przeworski (1992: 122, 124), O'Donnell (1992: 23), and Valenzuela (1992: 85-6). Institutionalization refers to the increasing stability and legitimacy of normalized frameworks of interaction understood, used, and accepted by social actors who expect to continue working within these guidelines in the future. Therefore, democratic institutionalization defines the growing coherency, adaptability, and capability of political decision-making, access to decision-making, and interest shaping processes. These processes take place through the legislature, bureaucracy, judiciary, political parties, and fair elections (O'Donnell, 1994: 57; Diamond, 1997: 27).

¹⁰O'Donnell and Schmitter, 1986: 3, 6.

on the other hand, refers to the trajectory from a regime that either excludes certain sectors of the population from political decision-making or is intolerant of contestation or both, to a regime that is both inclusive and tolerant.¹¹ In electoral democracies, leaders are chosen through free and fair elections, but other political processes are not necessarily democratic.¹² Such regimes are thus no longer in transition, but may still be undergoing democratization. However, even a relatively democratized regime, or polyarchy - in which institutions guarantee the freedom to form and join organizations, freedom of expression, right to vote, eligibility for public office, right of political leaders to compete for votes and support, alternative sources of information, free and fair elections, and the dependence of government policies on votes and other expressions of preference - can be improved.¹³ Preferably, all citizens should be seen as political equals and the government should be continuously responsive to their demands. This requires not only that policy-making be based on citizens' freely formulated preferences. In a *quality democracy*: a) the state functions as a Rechtsstaat (see footnote 33), in which *all* citizens are treated equally by the law and the judiciary and *all* citizens' interests are considered equal by policy-makers; b) government is accountable to citizens through elections and civil liberties that allow them to voice their demands and opinions (vertical accountability) and the actions of state institutions and officials are checked and balanced by each other (horizontal accountability); c) citizens accord legitimacy to the state; d) citizens actively make their preferences known to others; e) citizens' conflicts are resolved peacefully; and, f) the state assures citizens access to primary education, health care, and an adequate level of income to live decently.¹⁴

Recently, "consolidation" has lost its descriptive value as a concept, having been too diversely defined in the democratization literature.¹⁵ Furthermore, the quest to define the crucial point at which an electoral democracy becomes "consolidated", has revealed that this may, in fact, be an unrealistic goal for Latin American democratizers. The general understanding of "consolidation" arose from a Northwestern conception of democracy, especially as it developed in the first and second "waves"¹⁶ of democracy. The historically embedded socioeconomic immobility and exclusionary character of political processes in the third wave Latin American democracies, however, do not conform to the Northwestern model of enduring and wealthy regimes.¹⁷ As a result, Latin American electoral democracies have been described as frozen or stalled,

¹¹ Dahl, 1971: 7-8.

¹² Diamond, 1997: 13.

¹³ Dahl, 1971: 2-3, 7-8.

¹⁴ Based on Dahl, 1971: 1-2; Linz and Stepan, 1996: 16, 18-19; O'Donnell, 1998: 112-13, 117; Becker, 1999: 142, 144-5; and Mayer and Woodside, 2003: 5.

¹⁵ Schedler, 1998: 92; Becker, 1999: 139-40.

¹⁶ A "wave" of democracy refers to a period of time where a significant number of countries make the transition to democracy, and these outnumber the countries moving toward other system-types. The first wave took place from 1828 to 1926, the second from 1943 to 1962, and the third from 1974 until the late 1990s (Huntington, 1991: 15-16).

¹⁷ O'Donnell, 1997: 52-3; Schedler, 1998: 99-100.

unable to further reform their systems and become both procedurally and substantively inclusive.¹⁸ But this stalemate could actually signify a different regime-type; not simply an incomplete transition with political processes describable only in terms of what they are not, but a new phenomenon where democratization has advanced as far as possible in a context of social and economic crisis. The result is a "gray zone" regime of delegative or low quality democracy¹⁹ that requires attention in its own right, in order to be fully understood and, hopefully, further developed to become more politically inclusive and socioeconomically equal.²⁰

Lacking in the existing literature is an exploration of how such a development could be effected. The role of organized labor in promoting quality democracy, and whether its demobilization is conducive to the creation of inclusive political processes and opportunities for socioeconomic equality in Latin America, should be examined. Specifically, since socioeconomic equality and inclusiveness are key aspects of quality democracy, is it feasible to assume that this can be achieved without concerted efforts from those sectors that have been immobilized and excluded in current low quality Latin American democracies? The proportional strength of ideologically faithful democratic leaders, who might view inclusive politics favorably, to contingent democratic leaders is questionable. Many officials' commitment to democracy is conditional upon international pressure, and even this commitment is often limited to democratic elections, beyond which public office is used for private gain and political processes continue to be clientelistic and patrimonial.²¹ Economic elites are also not naturally inclined to improve other classes' opportunities or to share their own privileged access to decision-making channels. According to Becker (1999: 147-8), economic elites tend to be relatively impermeable entities, loath to allow access to outsiders. Hence, since neither political nor economic elites are initiating procedures to enhance equality and inclusiveness, the status quo is unlikely to be transformed without increased participation of the lower and lower-middle classes in the political process.²²

Organized labor is particularly representative of the marginalized sectors, having been expressly excluded from governing coalitions focusing on market-centered neoliberal economic reforms since the early 1980s.²³ Moreover, organized labor is the civil society sector with the best pre-existing organizational structure, and therefore the easiest to mobilize, making it a strategic sector in demanding political change²⁴ in both recent (Peru, Argentina,

¹⁸ Karl, 1990: 13; O'Donnell 1994: 56.

¹⁹ These are electoral democracies where some vertical accountability exists through elections, but horizontal accountability is weak since institutions to democratically regulate political power, interaction, and conflict have not been established. Furthermore, socioeconomic problems have been addressed unsuccessfully or not at all. See O'Donnell (1994: 56, 1999: 204-5).

²⁰ O'Donnell, 1997: 40; Carothers, 2002: 9.

²¹ See Diamond (1997: 38) and O'Donnell (1992: 38-9; 1998: 118).

²² O'Donnell, 1999: 198, 201, 206.

²³ See Middlebrook (1995: 287) and Samstad and Collier (1995: 18-21).

²⁴ O'Donnell and Schmitter, 1986: 52-3; Valenzuela, 1989: 447.

Bolivia, Uruguay, Brazil, and Chile in the late 1900s) and past (Argentina, Uruguay, and Chile in the early 1900s) democratization processes.²⁵ For present purposes, the analysis of lower and lower-middle class roles in promoting quality democracy will thus be narrowed to an exploration of organized labor's potential as a democratic opposition.

The Transition Literature and Valenzuela's Labor Framework

The following literature review is intended to show the evolution of the understanding of transition to, and institutionalization of, democracy in Latin America, and organized labor's role in these processes. The research presented is pivotal to understanding the evolution of the transition literature: the books and articles included contribute groundbreaking theories to the debate and shape the concepts underpinning subsequent work. Diamond, Karl, Linz and Stepan, O'Donnell and Schmitter, and Valenzuela are some of the key theorists of, and most prolific writers on, Latin American democratization. Bermeo, Collier, and Bellin fall into the same group, but differ in their approaches, focusing more on the position of civil society (and specifically labor) than their state-centrist counterparts. As a whole, these authors' texts are like "snapshots in time", revealing the understanding of the democratization process at the time of writing and how its future development may have been misinterpreted because of limited available information. The lack of information refers both to the outcome of democratization during economic crisis and to comprehensive analyses of events outside of the statist political arena.

This review analyzes three distinct "snapshots", depicting the expansion of transitional theories to first include institution building and then quality democracy. This framework clearly identifies an overarching concern emerging from the ex-ante hypotheses: the emphasis on stability through institution building by political elites as a primary concern during the transition itself, and also for its analysis. The lack of serious critique of this model from transitional theorists resulted in political inclusion and the development of socioeconomic equality being left as future projects and those affected by these inequalities as a secondary concern.²⁶ As democratization proceeded in actuality, however, its students recognized that an elitist political project²⁷ in an unequal socioeconomic context was, in fact, causing instability. Nonetheless, concrete alternatives have not yet arisen from this realization.

²⁵ Rueschemeyer, et. al., (1992: 8) argue that, "across our historical cases...the working class was the most consistently pro-democratic force" (specific Latin American cases are discussed on pages 182-4), and Collier (1999: 110, 112) finds that, in many recent cases organized labor was as important to democratization as it had been in the past.

²⁶ Important divergences from this theme exist among other areas of specialization, especially those with more developmental interests, but the current project's intent is simply to critique transitional theory from within and utilize the merits of its research in an attempt to build on its framework.

²⁷ Pact-making political elites formed exclusionary regimes to ensure the smooth progression of the democratic transition (see Karl, 1990: 11-12). It may or may not have been their intention to perpetuate these regimes subsequent to democratic institutionalization, but this appears to have been the result thus far.

Latin American Democratization through Elite Political Pacts

Early research on democratization in Latin America focused primarily on the roles of elite political actors in bringing about smooth transitions from authoritarianism. Writing at the time these processes were being carried out, the authors' conjectures focused on the most favorable paths to reach the first democratic elections. How the mode of transition would affect subsequent events did not yet appear of great concern.

O'Donnell and Schmitter (1986) argue that the high degree of uncertainty characterizing transition processes make structural (economic, social, cultural, partisan) factors too unstable to help in formulating analyses. For this reason, they feel that transitions should be studied from a strictly political perspective. The authors do touch on the importance of civil society's support for democracy, but emphasize that popular mobilization is potentially dangerous since it may result in economic and social chaos – the hard liners'²⁸ worst fear and therefore an impetus for authoritarian regression. The key democratizing actors are pact-making elites:²⁹ who must guarantee the continued viability of the political Right. As the sole electoral victor, the Left would fragment and delegitimize democracy, each faction attempting to win the electorate's favor by making promises impossible to keep. O'Donnell and Schmitter assume that socialization³⁰ will automatically (albeit slowly) follow democratization without a concerted effort from the lower classes, but fail to explain why the elites would voluntarily delimit their own power to eventually benefit the interests of the lower classes. As the founding piece of the transition literature, this article set the stage for a subsequent concentration on elite pacts as the key to a successful transition to democracy, and on the political arena as the locus of analysis.

Valenzuela's (1989) article on organized labor in transitions also leads him to conclude that the Left must retreat to make democracy viable. He hypothesizes that opposition forces may provide an opportunity for hard-liners to regain political control if the former become active to such an extent as to create fear of serious economic disruption. Hence, once it becomes clear that elites are committed to not only liberalize but actually democratize, labor must enter a phase of restraint and act within the democratic structures set out, showing that these structures can, in fact, function effectively without necessitating repressive measures to maintain public order. However, Valenzuela argues that if labor demands previously suppressed under the authoritarian regime are met with favorable policy during the transition, workers will be likely to consider democracy as legitimate. While it is logical that reaching its goals would make labor willing to work within a democratic framework, Valenzuela fails to explain why future policy changes related to

²⁸ Hard-liners are authoritarian incumbents, who believe in the authoritarian regime and want to perpetuate it, either through rejecting democratic processes or by operating through a screen of democratic forms (O'Donnell and Schmitter, 1986: 16).

²⁹ See Przeworski (1992) for an analysis of transitional pacts and the motivation driving pact-making elites.

³⁰ "Socialization" refers to all people becoming citizens with equal rights and equal benefits, which would lead individuals to demand more responsive government, weakening oligarchic transitional pacts, and resulting in the de jure and de facto institutionalization of democratic processes (O'Donnell and Schmitter, 1986: 13-14, 42-3).

labor would be positive for this sector without its active participation in the process. That is, if labor does not manifest its demands, why would the state, business, and the upper classes care to protect workers' interests? Furthermore, even if we could suppose that satisfactory policies are to be expected, the article does not elaborate on how to identify the point at which the elite's full commitment to democratization becomes clear.

During this first period of writing, the emphasis on demobilization was especially strong (see also Przeworski, 1988). This conservative outlook, highlighting the protection of the political Right's continued viability, may stem, at least partially, from the articles being written during the Cold War, at a time where leftist activism was viewed with distrust.³¹ Transitional activists and scholars practically and theoretically aimed to restrain civil society activism, thereby hoping to control authoritarian elites' tendency to view democracy as intrinsically leftist and even leaning toward communism. There is, however, no hard evidence that continued civil society mobilization regularly led to regressive coups – in fact, the opposite is true and this theory appears to have been based on a narrow interpretation of possible outcomes.³²

The Problematic Legacy of Transitional Politics

The prevalent discourse changed somewhat as soon as its contributors shifted their focus from the transition itself to the subsequent institutionalization of democratic regimes, which was hindered by limiting transitional pacts. The notion of a need to "sell" democracy to the general populace in order to safeguard its endurance began to creep into discussions of political processes. Nevertheless, the focus of attention on elites as the only competent political actors continued, as the extent to which exclusionary policy-making and unequal distribution of wealth could destabilize democracy was not yet recognized.

Karl (1990) determines that the study of conditions that make democracy possible and successful in Latin America must consider the interaction of structural constraints and of actors' contingent choices – also known as a path-dependent perspective. She writes that diverse transition trajectories will result in varying types of democracy, whose particular economic, social, and political characteristics must be understood to analyze their future development. To foster the evolution of competitive democracies from post-transitional pacted regimes, political processes must be modified, allowing leaders to accommodate demands from below as civil organizations exert ongoing pressure. That is, leaders should stop trying to draw political actors together into an anti-authoritarian pact, instead allowing the various forces to compete and assuring the growth of substantive equality. Karl's article is key in that her path-dependent approach draws attention to the limits of analyzing political decisions alone, as economic and social contexts play a central role in shaping these decisions. Furthermore, she points out that democratic institutionalization hinges on civil society participation and that socioeconomic inequality must be

³¹ Neff (1988: 151) contends that transitional theory's conservatism stems from its major writers' preoccupation with maintaining American regional hegemony.

³² See Bermeo (1997: 314).

actively addressed. However, she continues to follow the pre-existing model, centering on elite-, or leadership-, based change, and considering popular control over change dangerous. In other words, she claims that participation is necessary, but political change should be led by elites in order to assure stability.

O'Donnell (1992) postulates that the Latin American democratization process actually involves two transitions: the first is from an authoritarian regime to a democratically elected government, and the second is to a democratic regime. He asserts that the second transition is more likely to occur once democratic freedoms extend throughout society as a whole. But, rather than recognizing that these freedoms must be actively pursued by civil society, O'Donnell maintains that political democracy will naturally result in social and cultural democratization. He continues to base his analysis on the notion that change comes from above, arguing that legislatures and politicians must make parties more meaningful, creating popular identification with certain platforms in order to ensure that the people continue to believe in the legitimacy of democracy. Thus, rather than being representative of popular demands, parties are used by elites to "sell" democracy to the people. The concept of two transitions came to be recognized as a rule in the analysis of Latin American cases, changing the study of democratization. O'Donnell also finds that politics must be continually criticized by democratic actors in order for democracy to survive, and that this can only occur if social relations are democratized, that is, if socioeconomic equality becomes possible and elites begin to recognize the value of other actors' political contribution. However, as in his article with Schmitter (1986), O'Donnell fails to elaborate on how or why the will to open the system would materialize in an elite-dominated political project.

Linz and Stepan (1996) emphasize that the interaction of civil, political, and economic societies, with an effective bureaucracy and a *Rechtsstaat*,³³ can make democratic consolidation³⁴ possible. While the authors' inclusive approach is sound, they assume that the interaction of these five spheres will be effective because all actors will choose to adhere to the rule of law. They ignore the extent to which clientelism and patrimonialism are embedded politico- and sociocultural behaviors, from which the incumbent elites benefit.³⁵ Linz and Stepan admit that, "[f]reely elected governments can, but do not necessarily, create such a rule of law" (1996: 19), but this is their closest approximation to an examination of the obstacles standing in the way of a true *Rechtsstaat*. The authors do caution that overcoming the hurdle of consolidation does not necessarily lead to a high quality democracy. Democracy can be continually

³³ A *Rechtsstaat* is "a state subject to law", where all significant actors work under the rule of law, which is interpreted by an independent judiciary and is fair and equal towards all citizens (Linz and Stepan, 1996: 18-19).

³⁴ Linz and Stepan (1996: 15) define consolidated democracy as, "a political regime in which democracy as a complex system of institutions, rules, and patterned incentives and disincentives has become, in a phrase, 'the only game in town'."

³⁵ See O'Donnell (1998: 118) for an account of the pervasiveness of officials' refusal to subject themselves to the law - promoting their private interests through opportunities afforded by holding public office - without considering this illegal or even unethical. Also see Diamond (1997: 17) regarding the institutionalization of such behavior.

improved by developing the economic benefits available to all citizens and increasing their political participation. Still, on the whole, Linz and Stepan meaningfully argue that inclusiveness is crucial: all national sectors must take part in developing democracy in order that it be legitimate and stable.

Diamond (1997) also recognizes the symbiotic relationship between the state and civil society. He finds that Latin American political elites remain unaccountable to civil society because they are contemptuous of democratic rules and processes, preferring traditional clientelistic politics. Their commitment to democracy is contingent on international pressures. Therefore, the author argues that it is necessary to deepen democracy by first strengthening the state so that it may be effective in reducing poverty and ensuring that parties and legislatures are representative of citizens' interests. Second, power must be decentralized to local governments, allowing citizens a greater part in holding government accountable and in negotiating their demands. Only such a deepened regime can prevent Latin American electoral democracies from crumbling, should international pressures wane. Diamond highlights that civil society is instrumental in strengthening democracy, but does point to the need for restraint of demands to facilitate ordered bargaining.

In sum, once the focal point of study changed from the transition itself to the growth of the following democratic regime, the inclusion of civil society actors came to be seen as increasingly important. However, their activities were still considered potentially disruptive and analysts continued to look to political elites for the key to change and development of quality democracy.

The Evolution of Quality Democracy

It soon became apparent that quality democracy was simply not emerging in Latin America. In trying to discover the roots of this problem, academics began to question their previous neglect of civil society. The resulting studies emphasize the consequences of civil society's actions during transitions and its role in legitimizing democratic regimes.

Berneio (1997) explores the theme of civil society moderation. She argues that, because the recent literature spends so little time investigating the role of civil society, the destabilizing effect of its activities is overemphasized. This is especially true for organized labor, whose political activism is seen as particularly risky since it may threaten social and economic order, leading to an authoritarian regression. However, Berneio's case studies of Iberian, Latin American, and Asian democratization reveal that demobilization is, in fact, not necessary for a successful transition. She shows that, with rare exceptions (such as China in 1989), authoritarian incumbents opt for democracy because they assume that they will perform well in elections, or that moderates will win, and that radical elements stand no chance of gaining power. In these cases, incumbents consider democracy as a mode to either legitimate their rule, or to divest themselves of the leftist radicals whom they are no longer able to control without extremely high political costs. The author concludes that the fear of popular extremism apparent in previous analyses was not entirely mistaken, but



that it stemmed from a focus on only one possible outcome - regression to authoritarianism. Bermeo's findings are significant in that they somewhat demystify the results of popular organizations' activities. However, she concludes that the transitions in the countries studied were successful not partially because of, but in spite of significant popular mobilization. Furthermore, her analysis deals only with popular extremism, failing to touch on the positive effects of a politically active, pro-democratic civil society.

The thesis that the most recent wave of democratization should be studied as an elite process in which the working class plays a negligible role is also revisited by Collier (1999). She ascertains that this assumption is incorrect and concludes that democratization is generally a combination of elite and organized labor actions that should be considered from a path-dependent perspective. The author states that organized labor did not always simply take its cue from liberalizing elites, but often itself created the political space for demand articulation by delegitimizing the authoritarian regime. Furthermore, where organized labor was an active contributor to democratization (without demobilizing), ensuing regimes became more willing to allow diverse contestation. Collier's contribution to understanding the evolution of democracy is excellent, but she centers on *how* organized labor promotes transitions, showing that the dominant model of analysis is skewed. Her study of *why* labor's activity is pivotal to ensuring progressive democracy is limited.

Subsequently, Bellin (2000) uses Asian, Middle Eastern, and Latin American case studies to show that capital's and organized labor's commitment to recent democratization is contingent. Their key objective is to defend their material interests, that is, these groups fight for democracy only if they perceive that it would advance these interests. Civil society's pledge to democracy does not rest on a simple normative commitment based on the value attached to protection of human rights and the ability to hold leaders accountable,³⁶ but on tangible pay-offs. Bellin's conclusions are important, but her focus is entirely on the motivational forces driving civil society's democratic commitment. Her study offers little regarding the significance of this commitment to the legitimacy and stability of the regime.

Both O'Donnell (1999) and Karl (2000) recognize that economic inequality creates instability in the new Latin American democracies. Karl argues that, "[i]nequality's pernicious undermining of democratic aspirations, institutions, and rules is the greatest threat facing democracy in the Americas today" (2000: 156), and concludes that the quality of democracy will degenerate unless socioeconomic rifts are addressed.³⁷ O'Donnell finds that increasing levels of poverty and inequality can only be reversed by forming a broad coalition of poor, working, middle, and upper class interests. This coalition must create public solidarity for valuing human dignity and effective social policy separated

36 See Mainwaring (1992: 306).

37 Karl (2000: 156) stresses that inequality will lead to erosion in the quality of the regime, not in authoritarian reversion. It is unlikely that a disloyal opposition – playing outside the rules of the democratic game – will be able to offer solutions to the economic crisis that is laying bare Latin American democratic regimes' failures of efficacy and effectiveness and challenging their legitimacy (see Linz, 1978: 16-22, 50). However, declining legitimacy will lead to regime responses decreasingly compatible with the elements of quality democracy.

from economic policy. While O'Donnell comes to the realization that elites cannot (or will not) alone provide for equal rights and opportunities, and both authors discuss the dangers of inequality for quality democracy, neither one proposes concrete solutions for resolving the problem.

Once the hurdle of democratic elections was overcome and researchers slowly turned their attention to the development of quality democracy, it became apparent that elite political actors could not assure this alone. Civil society must be included in political processes and socioeconomic equality actively pursued, in order that the populace continue to support democracy because the tangible pay-offs (a decent standard of living provided through adequate income, access to quality health care and education, and the ability to influence policy) it provides legitimize it as the most appropriate system of government. It appears that an earlier consideration of more diverse actors would have helped theorists recognize why many democratizing projects had stalled after the first elections and were developing into something other than quality democracies.³⁸ However, the above analyses developed according to the state-centrist model initiated by O'Donnell and Schmitter (1986), which was not submitted to significant critique by other transition theorists until O'Donnell (1999) himself recognized the degree to which overlooked civil society concerns contributed to the delegitimation of democracy. While the literature in general is evolving to reconsider civil society's role, the framework of analysis dealing with organized labor has not been improved upon. Collier (1999) and Bellin (2000) do refocus the manner in which labor's function in democratization should be viewed, but they do not discuss the reasons why its contribution should be seen as important.

Conclusions for further Analysis

As O'Donnell recognized, a comprehensive understanding of the democratization process necessitates the study of all its parts. Organized labor has played a meaningful role in bringing about Latin American democratic transitions. Furthermore, it is representative of the lower and lower-middle class civil society sectors now causing democratic instability in reaction to their situation of political marginalization and poverty. It follows that the effects of organized labor's actions need to be examined in terms of current political contexts.

In Latin America, labor's commitment to democracy is directly related to the social and economic benefits received as a result of policies made by democratic regimes. That is, the higher the perceived pay-offs provided by democracy, the higher the commitment to supporting and developing it. However, while early theories assumed that the rapid installation of democracy was more important than socioeconomic equality and political inclusiveness, which would (eventually) evolve through socialization, the historically embedded context of inequality and exclusiveness in Latin America, aggravated by recent economic crises and restructuring, has not allowed such an evolution

³⁸ As mentioned above, these limitations apply strictly to the field of "transitology", having been recognized elsewhere in a much more timely manner. Neff, in his 1988 review of this body of literature, concludes that the type of democracy proposed by O'Donnell and Schmitter (1986) was restricted and would result in political instability – partially because of "growing demands for revindication from below" (151).

to occur. In fact, the negative repercussions of economic structural adjustment for the lower and lower-middle classes, and elites' continuing privileged access to justice and politics has, predictably, resulted in a declining legitimacy of Latin American democratic regimes and led to instability.³⁹ Hence, one of the few real opportunities for reform hinges on a politically active organized labor force, proceeding out of disenchantment with the status quo and desire for higher gains and benefits and pressing for inclusion of lower and lower middle class demands.

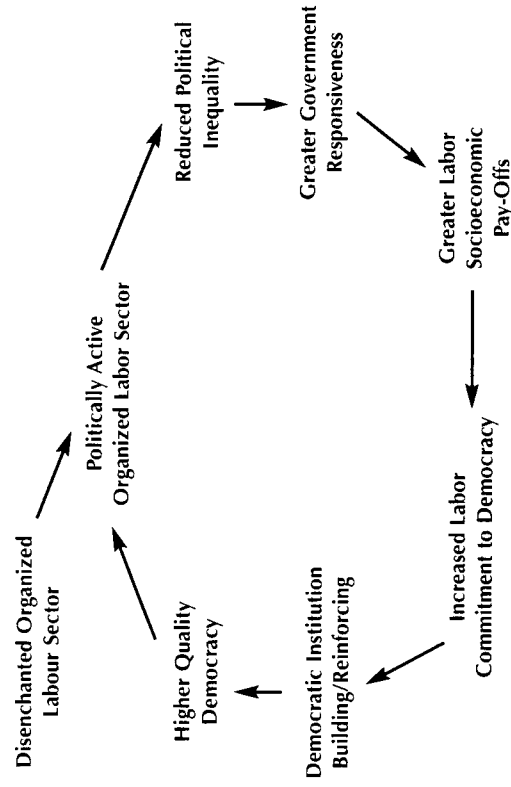
Democratically elected Latin American leaders will not be able to ignore consistent, organized pressure for inclusion in policy-making from labor because unions have a threefold bargaining advantage. First, they have the capacity to directly affect the economy through work stoppages, should the government refuse to negotiate. Second, they represent enough citizens to be an important sector of electoral support that could be withdrawn if demands are not met.⁴⁰ Third, the international pro-democratic climate hampers reversion to non-electoral or electoral authoritarian regimes, making it difficult for states to bypass the electoral repercussions of exclusionary policy-making. Therefore, Latin American governments will have to cede to at least some labor demands. As the state becomes more responsive, organized labor will become more committed to the process of negotiating within democratic parameters, seeing this course of action as a successful avenue for making economic and political gains. A virtuous circle institutionalizing the bargaining process between labor and the state should ensue. Labor's channel of access to decision-making should become formalized, facilitating the articulation of workers' demands for socioeconomic equality and making it a stakeholder in policy formation. Since stakeholders are more likely to adhere to policies in whose making they participated, the regime should then be gradually stabilized.⁴¹ That is, labor and the state come to rely on each other's input in policy-making as it becomes obvious that compromises including both sides' demands create more effective policies.⁴² The negotiating system perpetuates itself, becoming an embedded political process and no longer necessitating external pressures to ensure adherence to the democratic model. In sum, an active organized labor force can now initiate the process of increasing government responsiveness to previously marginalized sectors, developing greater political inclusiveness and socioeconomic equality and hence crafting quality democracy in Latin America.

39 O'Donnell, 1999: 195-6; Karl, 2000: 150, 155.

40 The percentage of citizens represented by unions, and therefore the political leverage of these organizations, varies from one country and area to another. For example, while 50% of Brazil's workforce is unionized, only about 5% of Central American workers belong to unions. See Worthman and Cacek, 2001.

41 The notion of individuals taking more responsibility to carry out plans if they played a role in their construction is not new to the development literature. See, for example, Kent (1984: ch. 10).

42 I am focusing on organized labor in this case. However, the general assumption is that other sectors of civil society (peasants, business, etc.) should follow a similar pattern of institutionalizing negotiation, ensuring a system that is responsive to all citizens' demands – as much as this is possible in a regime based on compromise.



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