TORN BETWEEN AUTHORITARIANISM AND CRISIS-PRONE DEMOCRACY:
THE DOMINICAN LABOR MOVEMENT

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ABSTRACT

This paper examines the role of labor in the transition to democracy in the Dominican Republic. The author begins with a brief overview of the problematic status of labor in recent transition studies. Labor has tended to play a secondary role in Latin America's recent transitions, and several factors have been suggested to account for this: the supremacy of powerholders in engineering and directing the transition; the ephemeral nature of popular upsurges against the authoritarian regime; reliance on pacts that undermine popular involvement. The author also emphasizes the general weakness of Latin American labor movements themselves and the pressures of economic conditions adverse to labor. She argues that the weakness of the Dominican labor movement in particular and its limited impact in shaping the new democracy is related to Dominican labor's high degree of dependence on political parties and its "victimization" by intra-party rivalries. Together with low levels of unionization and detrimental economic conditions, this subordination to parties has worked against labor's incorporation into bargaining structures. However, the argument concludes, in the Dominican Republic as elsewhere, even when the labor movement is relatively weak, an unresolved labor question tends to produce a crisis prone democracy.

RESUMEN

Este trabajo analiza el papel que desempeñó la clase trabajadora en la transición a la democracia en la República Dominicana. La autora comienza con una breve consideración general del estado problemático de la clase trabajadora en estudios recientes de la transición. La clase trabajadora ha tendido a jugar un rol secundario en las recientes transiciones en Latinoamérica y ésto se ha atribuido a varios factores: la supremacía de los que sostienen el poder en el planeamiento y la dirección de la transición; la naturaleza efímera de las revueltas populares en contra del régimen autoritario; la dependencia en pactos que desaniman la participación popular. La autora enfatiza también la debilidad general de los movimientos laborales en Latinoamérica y las presiones de las condiciones económicas adversas a las clases populares. La autora arguye que la debilidad del movimiento laboral dominicano en particular y su limitado impacto en la formación de la nueva democracia está relacionado con el alto grado de dependencia de las clases laborales dominicanas en los partidos políticos y su "victimación" por rivalidades entre partidos. Sumado a los bajos niveles de sindicalización y a las condiciones económicas desventajosas, esta subordinación a los partidos ha dificultado la incorporación de la clase trabajadora dentro de las estructuras de negociación. Sin embargo, se concluye que en la República Dominicana como en todas partes una cuestión laboral no resuelta, aún cuando el movimiento laboral es relativamente débil, tiende a producir una democracia propensa a las crisis.
Since the 19th century, working class movements have received significant attention in the study of social change. This has been a central theme in Marxist social theory, and recent controversies over the declining significance of class politics and the revolutionary spirit of the working class have yet to remove the subject from contemporary sociological and political analysis. The theme of a recent conference on labor movements in transitions to democracy (University of Notre Dame, April 1988) fits well with this tradition. It assumes outright the significance of working class movements in the study of social change with reference to democratic transitions currently underway in various parts of the world. Labor movements, says Valenzuela (1987:1-2), are frequently reported as "relatively important actors in such transitions" and represent an organized force in society with the capacity to disrupt the system. The argument seems convincing. Yet recent theorizing on transitions, as discussed below, suggests the limited, subordinated, or ephemeral role played by labor in transitions to democracies—the notion of "transition from above" captures this well by indicating a controlled process under which powerholders accept democratization. Given then the state of affairs in the recent literature on democratization, demonstrating the significance or irrelevance of labor movements in democratic transitions, their supportive or disruptive role, and their incorporation or marginalization in the process of democratic consolidation remains an important research agenda. Examining these issues should help us assess the foundations of a newly established democracy and the nature of the democratic regime in the making. Yet before turning to a discussion of the role of labor in the Dominican transition, a brief review of the recent literature on transitions is in order to contextualize the problematic status of labor in recent transition studies and the potential implications of labor involvement for the consolidation of democracy.

**Labor Movements and Democratization:**

**Reflections on Their Relationship**

Back in the 1970s, when the concept of bureaucratic-authoritarianism had reached its height in the literature on Latin American politics, O'Donnell (1979:285) wrote "Tensions in the Bureaucratic-Authoritarian State and the Question of Democracy." There he argued that the fact that the possibility of democracy had been raised reflected not a "false consciousness" on the part of bureaucratic-authoritarian leaders or the effectiveness of external pressures on the
bureaucratic-authoritarian regime, but fundamental tensions within the core of the system of domination and with the social sectors excluded by the bureaucratic-authoritarian regime—among those excluded were popular groups, frequently labor if it had previously been politically active. With this argument, O'Donnell suggested two lines of inquiry in transition studies: one, the study of tensions within the ruling alliance (e.g. the military and the bourgeoisie); the other, the resurrection of civil society or the re-entry of those previously excluded. This research agenda thus stressed the study of the internal dynamics of Latin American bureaucratic-authoritarian regimes that made them crisis-prone. Unlike post-war European democratization, which was externally monitored and where warfare and conquest played an important role, the new transitions, says Stepan (1986:65) "have been and will be ones in which sociopolitical forces rather than external military forces play the key role." In other words, they are internally driven; the outcome of internal crises and transformations. Yet despite the emphasis on the importance of internal forces in transitions from authoritarian rule, the recent literature on transitions does not portray labor as a protagonist. This is illustrated not only by the concept of "transition from above," but also by Stepan's (1986) five-path typology of internally produced democratization. Thus, in an effort to summarize an otherwise extensive discussion, I list and briefly comment upon Stepan's paths toward democratization in order to contextualize the problematic status of labor in the current literature on transition. References to other authors are made whenever necessary to elaborate on the issues under discussion.

The first path identified by Stepan (1986:72), "Redemocratization initiated from within the authoritarian regime," refers to a situation in which "major institutional power-holders within the ruling authoritarian coalition perceive that because of changing conditions their long-term interests are best pursued in a context in which authoritarian institutions give way to democratic institutions." Whether democratization is initiated by the "military as-a-government," by the "military as-an-institution," or by the "civilian or civilianized political leadership," the transition is largely engineered and controlled by powerholders. Consequently, labor strategies are ultimately subordinated to power-holders' interests, and pressures from below such as those from labor may play at best a secondary role in the process. (An exception would be a case in which labor was part of the civilian political leadership within the authoritarian regime, but no example in contemporary Latin America comes to mind.)

The second path, "Society-led regime termination," refers to a democratization brought about by "diffuse protests by grassroots organizations, massive but uncoordinated general strikes, and by general withdrawal of support for the government" (1986:78). But these experiences of societal revolt, says Stepan, do not lead to democracy: They either lead to more authoritarianism or to a caretaker government (a military junta, for instance) promising elections and democratic rule. Assuming then that labor was an important actor in the popular upsurge
that led to regime termination, its participation does not guarantee a democratic outcome. Under the best circumstances, labor may contribute to the crisis of the authoritarian regime but not to the establishment of democracy *per se*. Moreover, "popular upsurge is always ephemeral" say O'Donnell and Schmitter (1986:55), because in the process people experience repression, manipulation, cooptation, fatigue, conflicts over choices about procedures and substantive policies, and disillusion with compromises imposed by pact-making and the emergence of oligarchic leadership. The role of popular mobilization in the demise of authoritarianism and the establishment of democracy is also raised by Gillespie (1987:167) in a recent review of the literature on transitions. There he argues that since a "complete democratic rupture" (through a revolution or abdication of powerholders) is unlikely, "democratization is more often achieved through formal negotiation, transitional phases, or controlled reform initiated from above." He contends (1987:181) that of five basic explanations to account for transitions, namely, "legitimation problems, political economy, popular movements, opposition alliance and negotiating strategies, and the capacity and interests of powerholders," it is the interaction of the last two sets of factors "(that) most powerfully predict the path and timing of transition." Consequently, one could assume that labor may play a role in ending authoritarian rule, but its involvement in the democratization process is contingent upon labor's negotiating power and non-threatening stance.

The third path, the "Party-pact," refers to "the internal construction of a grand oppositional pact, possibly with some consociational features" (Stepan, 1986:79). As in the previous cases, one could expect labor to contribute to worsen the crisis of the authoritarian regime, but its direct involvement in democratizing tasks is contingent upon labor linkages to pact-making parties. Stepan also assumes that "party-pact" democratization must retain support from below beyond the transition, which might be taken to imply that if labor has provided support to political parties and they continue to need that support, the likelihood of incorporating labor in the post-transition period is greater than otherwise. A pertinent question is then, how do parties incorporate labor if they need to do so? The issue is significant because the style of incorporation has significant consequences for the newly established democracy.

The fourth and fifth paths of internally-driven democratizations—"Organized violent revolt coordinated by democratic reformist parties" and "Marxist-led revolutionary war"—assume the highest level of popular activation with "continuous political direction" and the greatest potential for socioeconomic change (Stepan, 1986:83). However, none of the recent democratizations in Latin America can be said to fit these two models. Probably the transition in the Dominican Republic is the closest to the former, in view of the Dominican Revolutionary Party's previous populist rhetoric. Yet the transition itself was not characterized by organized violence. Does it follow then that recent democratizations in Latin America preclude the possibilities of major
socioeconomic changes because they lacked such organized revolts? This is an interesting question to keep in mind, although the answer is beyond the scope of this paper. On the other hand, in the case of Marxist-led revolutions, it is questionable whether the outcome will be democratization defined in terms of rules of political competition and alternability.

Despite the gloomy picture summarized above, Valenzuela (1987) stresses the significance of labor involvement in democratic transitions, both in terms of the effects of labor on the transition and the effects of the transition on labor. He acknowledges that labor movement pressure has never been the only cause for change out of an authoritarian regime, but argues that labor reactions can be a significant ingredient in the process of change. In particular, he suggests two questions to be examined: (1) Did the labor movement contribute to forcing the authoritarian regime to a democratic opening? (2) Did it contribute to the success of that opening? Relating these two questions one could imagine two possible scenarios in the case of a successful transition: one in which labor plays a major role in the transition by actively engaging in opposition to the authoritarian regime and participating in the installation of the new democratic regime; the other in which labor contributes to the transition by expressing a moderate opposition to the authoritarian regime, without posing a major challenge to powerholders whose interest in democracy is contingent upon labor's relative weakness. The nature of the situation is relevant not only for the transition, but also for both the type of democracy in the making and the prospects for democratic consolidation. In the first case, the possibilities for incorporating labor into decision-making structures might be greater. Conversely, the likelihood of a successful transition when powerholders fear a change might be greater in the second instance, even though the democratic outcome may be less desirable for labor.

How labor affects the transition and the democracy in the making deserves further case study and comparative research. To hypothesize about the various ways in which labor relates to democracy: (1) Labor can be a source of stability for the new democracy if it is integrated through concertation or other sorts of transactions that help to acknowledge and respond to labor grievances; this accounts for the stability of social democracy in Western Europe, particularly in Scandinavia (Korpi, 1978). (2) Labor could pose a permanent threat to democracy if it is (and/or feels) excluded and has enough power to mobilize and disrupt the system; an example that comes to mind is Alfonsín's Argentina (Palomino, 1987). (3) Labor could sooner or later be a source of instability if it is formally integrated through a political party or state mechanisms but its demands are systematically postponed; the case of post-revolutionary Bolivia is illustrative (Whitehead, 1986). (4) Labor may have a minor impact in shaping the new democracy if the labor movement is weak and strategically excluded by existing and emerging powerholders; current examples are those of Brazil, Ecuador, and the Dominican Republic (O'Donnell, 1986; Conaghan, 1987; Espinal, 1986; 1987b).
With respect to the lasting impact of the nature of the transition process for the consolidation of democracy, it has been documented how certain mechanisms of negotiation and agreement that lead to the establishment of democracy can institutionalize conservative or exclusionary practices that in turn shape the emerging democratic system. For Venezuela, one of the most stable democracies in Latin America, Terry Karl (1986:66) argues that the transition was the result of a set of negotiated compromises embodied by pacts which had two different effects: On the one hand, they established political rules of the game for competition among elites; on the other, they fostered a “frozen democracy.” According to Karl, frozen democracies “institutionalize economic boundaries between the public and private sectors, provide guarantees for private capital, and fix the parameters of future economic reforms...” A somewhat similar argument is raised by Share and Mainwaring (1984:51) who see the foundational period of a democracy as critical for its subsequent development. Comparing what they call “transitions from above” in Brazil and Spain, they argue that “the early phases of a new regime establish rules of the game, modes of political interaction, and limits to political behavior and change.” They argue that transitions from above have both costs and benefits: They are peaceful, accepted by powerholders, and based on mutual agreement about the basic rules of the game—all of which lead to the stability of the new regime—yet they are elitist, fragile, and conservative.

The problems of pact-making summarized above lead us to ask two basic questions: First, how can a conservative, elitist, and fragile democracy be transformed into a participatory and stable democracy? Second, what are the conditions under which labor can play an important role in shaping the new democracy despite the powerholders’ initial resistance to change? Four possible sets of conditions come to mind: (1) times of great economic prosperity when powerholders might be more willing to share economic and political power; (2) times of economic crisis when concertation might be preferable to outright confrontation; (3) when the labor movement remains strong (i.e., numerically large, well organized from the shop-floor to the national level, autonomous and unified) despite previous setbacks and cannot be easily dismissed; (4) when labor is linked to a governing party committed to the workers’ cause, a party on which powerholders depend for their survival during and after the transition. Empirical questions to examine are then: Are these conditions present in recently democratized Latin American societies? Or more specifically for our purposes, are they present in the Dominican Republic? If so, have they facilitated labor incorporation in the post-transition period? As examined in this paper, the second and to some extent the fourth conditions were present in the Dominican Republic during the transition; yet an intricate interplay of factors, having to do with the limited representativeness of labor organizations, the subordination of labor to party politics, and the adverse economic conditions, has prevented labor incorporation.
An argument put forth in this paper is that the weakness of the labor movement and its limited impact in shaping Dominican democracy is related to labor's highly dependent ties to political parties and its "victimization" by intra-party rivalries. This should be understood in a broader structural context characterized by low levels of unionization—in large part owing to the marginality and informality of labor—and the detrimental economic conditions that have accompanied democratization.

To substantiate the arguments raised in this paper, it is worth indicating that in evaluating strategies of labor inclusion or exclusion there are important issues to consider concerning the general texture of the social and political systems. (1) The representativeness of organized labor in relation to the general working population: The more representative unions are, the more interested parties may be in establishing long-lasting relations with the labor movement. (2) The autonomy of trade unions from political parties: The more autonomous they are, the more likely it is that political parties will seriously address workers' grievances. (3) The political parties' long-term approach to labor: A well formulated party platform and actions expressing commitment to labor should help the party to integrate labor, both during and after the transition. (Ad hoc solutions may turn out to be more demagogic than adequate measures for incorporating labor.)

With these hypotheses in mind, it is argued here that the limited representativeness of organized labor in the Dominican Republic and its subordination to political parties has worked against labor's incorporation into bargaining structures, despite the economic crisis that hypothetically could have facilitated concertation and despite the pro-labor stance of the Dominican Revolutionary Party (PRD), the party of the transition.

When the labor movement is subordinated to political parties as in the Dominican Republic, the future of the movement is closely linked to the dynamics of party politics. If democratization proceeds with the consolidation of the party system, the likelihood of labor making inroads (economically and politically) might be greater than if political parties engage in bitter rivalry and fragmentation. As discussed in this paper, the harsh political confrontations within the Dominican Revolutionary Party (PRD) and its de facto fragmentation by 1985 posed new problems for an already weak and divided labor movement. Needless to say, upon coming to power the PRD showed a lukewarm commitment to labor in spite of its long-proclaimed pro-labor stance.

A final point is that in order to understand the weak position of labor movements, we must recognize that recent Latin American democratizations have taken place under conditions adverse to labor. On the one hand, there have been transitions in societies like Brazil, Ecuador, and the Dominican Republic that experienced significant industrial expansion under authoritarian rule but, with the possible exception of São Paulo, little progress in the area of redistribution or unionization (O'Donnell, 1986; Cardoso, 1986-87; Conaghan, 1987; Espinal, 1986). On the
other, they have occurred in societies like Argentina and Uruguay (the same would apply to Chile whenever democratization occurs) characterized by deindustrialization, expansion of the informal sector, increasing unemployment, and declining rates of unionization (Nun, 1987; Rial, 1987; Garretón, 1986; Campero and Cortázar, 1986). The lesson to be drawn here is that Latin America's recent democratizations have taken place in societies with historically weak or presently weakened labor movements. Consequently, one could argue that labor may have played a secondary role in these transitions not only for reasons already suggested (namely, the supremacy of powerholders in the decision to foster democracy, the ephemeral nature of societal upsurge, or the necessity of pacts that undermine popular involvement), but also as a result of the general weakness of Latin American labor movements. A warning is pertinent, however. The subordination of labor and its limited capacity to mobilize does not imply that there will be no labor protests or that the new democratic regimes will ignore all labor demands. Protest movements will most likely break out, whether as isolated events or in the context of wider demonstrations, but they may lack the strength or consistency that could lead to major reforms. Moreover, responses to labor demands may be disaggregating, delivered in clientelistic styles. Ultimately, an unresolved labor question (even when the labor movement is relatively weak) tends to produce a "crisis-prone democracy," i.e., a democratic regime likely to appear unstable even if long-lasting; a democracy whose survival is ultimately contingent upon the limited capacity of labor to raise demands and get concessions.

Certainly, societal mobilization by itself does not lead to the establishment, let alone consolidation, of a democratic regime. Pacts, negotiation, institutions are needed. Yet it is the limited presence of organized labor in negotiations, pact-making, and institution-building that surprises the observer of current Latin American democratization. With these issues in mind, we now turn to our analysis of the Dominican labor movement and the process of democratization.

The Distinctive Nature of Authoritarian Rule in the Dominican Republic and its Impact on the Labor Movement

The literature on transition has most frequently dealt with the crisis and ultimate collapse of military regimes. This is understandable "since most authoritarian regimes are military regimes" (Stepan, 1986:75), which in Latin America have taken the form of personalistic dictatorships, populism or bureaucratic-authoritarianism. Surprisingly enough, despite a long history of military caudillismo, the 1978 democratic transition in the Dominican Republic did not succeed a military dictatorship. It replaced a civilian-authoritarian government installed in the
wake of the 1965 U.S. military intervention (Espinal, 1986). It is important to emphasize this point because both the nature of authoritarian rule and the dynamics of the transition were affected by this unique situation. The Balaguer regime was repressive, particularly toward organized labor and the left, but preserved democratic institutions, even if in a weakened form. Congress continued operating even though subordinated to Balaguer's will; non-Marxist opposition parties remained legal and elections were held every four years, despite frauds. The difficult political "compromise" of the post-intervention was then characterized by this blend of authoritarian and quasi-democratic forms, which reflected the tensions arising from the democratic struggle in the wake of Trujillo's assassination in May 1961 and the resistance of powerholders to democracy. Throughout this process, labor played an important role; i.e., the rebirth of civil society had an important labor component, which explains the relevance of the labor movement in the 1960s despite the small size and poor organization of the working class.
Labor Up surge in the Aftermath of the Trujillo Dictatorship

Although the politics of unionism in the Dominican Republic can be traced back to the early part of this century, the labor movement mostly developed in the post-Trujillo period. After the fall of the dictatorship there was an upturn in labor action reflecting a general trend toward greater freedom of association. The end of 31 years of harsh rule marked the beginning of a new era: Freedom and progress were the goals stated. This helped to formulate the new ideals and social arrangements that became the basis for struggles and political conflicts throughout the 1960s and 1970s.

The period from June 1961 to December 1962 constitutes one of the most difficult and intensively politicized in Dominican history. To devise new political arrangements was the challenge ahead. The over-arching questions were: How to organize and institutionalize political participation? How to bring about negotiations between groups with conflicting interests—most frequently loosely formulated? How to produce agreements and pacts? If this is what democratization is all about, certainly these objectives were hardly reached during that period. Popular mobilization and labor organization reinforced each other. Higher levels of politicization were the grounds for more organization. Political parties played a crucial role encouraging both popular mobilization and unionization. Labor was a fertile soil for political recruitment as political parties struggled to create democratic spaces in society. Consequently, parties and unions were initially hard to distinguish from each other. The National Civic Union (UCN) and other anti-Trujillo political organizations promoted the Frente Obrero Unido Pro-Sindicatos Autónomos (FOUPSA) as a labor arm. FOUPSA was meant to replace the Trujillo-controlled Confederación Dominicana del Trabajo (CDT). The increasing unionism that followed is illustrated by the number of unions formed in 1962 compared to previous years. In 1961, only 42 unions had been certified by the Labor Ministry's Oficina de Registro Sindical (ORS). Conversely, in 1962 alone, 145 unions were certified by the ORS.

During the 1962 elections, trade unions played a particular role. It was, however, mainly a political one. Strike activities had political overtones. Anti-Trujillistas forces used the newly formed labor organizations and their strikes as a weapon to dismantle the remnants of the Trujillo regime and institute free elections. Yet unions began to make their pressure felt on other fronts with demands for wage increases, and recognition of the right to unionize and bargain collectively (Wiarda, 1966; Espinal, 1985).

The political disputes over control of the newly created unions and the fragmentation of the incipient confederations have plagued the labor movement ever since. Splits persisted as the December 1962 elections approached. Political parties fought for the popular vote and unions
became a platform for political activism. By 1962, five different labor confederations had been organized, all claiming to represent the working class. FOUPSA split in early 1962 over ideological disputes. Dissenters formed FOUPSA-Libre (Free-FOUPSA) with the help of the U.S. labor attaché and the AFL-CIO representatives in the Dominican Republic (Wiarda, 1966:53). The Christian-Democrats formed the Confederación Autónoma de Sindicatos Cristianos (CASC). Leftist activists formed the Central Sindical de Trabajadores Dominicanos (CESITRADO) and La Unión. By 1963, with the PRD in power, the leftist and non-leftist labor factions became more clearly defined. The widespread support enjoyed by the PRD was seen as a fertile soil for unitary actions. The amalgamation of FOUPSA-CESITRADO and the dissolution of La Unión was a step in that direction while CASC and FOUPSA-Libre—renamed Confederación Nacional de Trabajadores Libres (CONATRAL)—rejected a fusion.

The coup of 1963 represented a major defeat for the democratic forces and the labor movement in particular. The democratic struggles of 1961-1963 had resulted in labor gains such as higher wages and the acknowledgement of the right to unionize. By contrast, the aftermath of the coup was characterized by increasing labor repression, both political and economic. The headquarters of FOUPSA-CESITRADO and CASC were raided and labor leaders jailed. They had both opposed the coup. CONATRAL's activity, on the contrary, remained unchallenged as they backed the coup (Wiarda, 1966). Since strikes had played a main destabilizing role against anti-democratic forces in the post-1961 period, the right to strike was soon restrained. Strikes in the public sector were banned if they had a "political motive" and if they were in sympathy with other strikers. Tighter controls were also imposed to regulate the formation of unions which thus far had developed with very limited government supervision. Resolution 8/64 introduced compulsory supervision on the part of the Labor Ministry to verify the validity of signatures endorsing the formation of unions; unions were also required to report monthly on any changes in their structure and composition. Resolution 15/64 established the number of unions required to form a federation and the number of federations to form a confederation (Labor Code, 1982: 115-116). These measures reflected the beginning of the government's labor containment strategy, which was there to stay for a long time.

In summary, the end of the short-lived democratic government in September 1963 facilitated an anti-labor agenda that, at least in the short-run, brought more radicalization to the labor movement. The anti-democratic agenda of the civilian junta that succeeded the PRD contributed to unify labor and political struggles, unions and political parties. It also contributed to the radicalization of the leftist wing of the labor movement. However, the defeat of the "constitutionalists" in the 1965 civil war contributed to a deterioration of the labor movement. After the installation of the Balaguer regime in 1966, opposition parties and labor unions were in disarray. They were forced to adopt a defensive stance once Joaquín Balaguer gained the
support of the United States, the Dominican bourgeoisie, and factions of the middle and popular classes (particularly the peasantry) who feared further political instability (Espinal, 1987a).

**Labor and Modernization: The Uneasy Match**

Despite his long relationship with the Trujillo regime, Balaguer proved more willing to compromise and open spaces to the opposition than his predecessor, but not before smashing the most vociferous opposition, namely, the left and organized labor. Besides their previous activism, they stood as the most likely candidates to oppose Balaguer's much announced agenda of economic growth and political order. Thus, severe restrictions on union activities were imposed by the government at the outset, thereby preventing unions from serving as an effective channel for workers' grievances. The government's objectives were to demobilize labor and minimize overt class conflict in order to secure social peace and higher returns for investors. The regime's labor containment strategy was a comprehensive one, including wage austerity, the formation of rival unions, the arbitrary replacement of union boards, and physical violence (incarceration and assassination of union activists, and military takeovers of union headquarters and plants in the wake of labor actions).

Throughout the Balaguer regime, wage austerity was central in the regulation of labor-capital relations. The 1966 Austerity Law froze the minimum wage at 60 pesos a month and prevented collective bargaining. The first and only increase in the minimum wage approved under Balaguer was announced in 1974 in the midst of soaring inflation and political discontent with the regime. The 50 percent increase did not, however, improve real wages; after the raise, the real minimum wage remained lower than in 1966 (Espinal, 1987b). The Austerity Law of 1966 had economic as well as political implications. First, it provided a framework of low and stable wage costs as an incentive to investors at the expenses of workers, who witnessed the deterioration of their purchasing power. Second, it imposed restrictions on unions over wage and benefit demands; bargaining could only take place if voluntarily agreed upon by all the parties involved. With this regulation the government sought to prevent overt class conflict within a legal framework. Unprotected by the law, trade unions had little to offer the rank-and-file except for political opposition to the government policies, which was frequently crushed by the police. Employers in turn, highly protected by the government's labor containment strategy, did not need and had little incentive to institutionalize mechanisms of concertation.

Labor's activism was also confronted with violence and legal maneuvers in the form of factory takeovers, headquarters occupations, the formation of rival unions, and the arbitrary replacement of rebellious labor leaders. As a result of this fierce repression, the incipient labor movement was decimated by 1971. All major unions were dismantled, including the *Sindicato Unido* of the foreign-owned sugar emporium Central Romana, the largest and best organized
union in the country. Others unions affected were those of large state-owned enterprises in the cement and flour factories, which were affiliated to the leftist FOUPSA-CESITRADO. The implementation of these anti-union measures was facilitated by labor provisions unfavorable to unions. As stipulated in the Labor Code, all that is needed to form a union is that 20 workers who work at the same plant or share the same occupation decide to do so. Consequently, splinter unions can always be a weapon to promote a “family feud” within the labor movement. Moreover, the lack of job security for labor activists makes their dismissal very easy and is frequently used by employers who want to contain labor actions.

The relationship between government and organized labor varied throughout the 12-year presidency of Balaguer (1966-1978). Initially, both the leftist FOUPSA-CESITRADO and the Christian-Democrat CASC joined the opposition. The government's response to CASC was moderate, but harsh in the case of FOUPSA-CESITRADO on account of its links with the political left. Later, CASC was slowly incorporated to cooperate with the government, as top CASC officials became labor representatives in state-run institutions like the *Instituto Dominicano de Seguros Sociales* (IDSS). Meanwhile, the two pro-government labor confederations—the *Confederación Nacional de Trabajadores Libres* (CONATRAL) and the *Confederación Sindical de Trabajadores Organizados* (COSTO)—concentrated their efforts in splinter politics, breaking up existing unions and backing the government on labor-related issues (Espinal, 1985). They intervened in the formation of docile unions and boards whenever rebellious unions needed to be crushed. They helped to mobilize sugar workers in support of Balaguer's Reformist Party at the height of the sugar boom but did not develop a grassroots movement despite the resources at hand to do so. Regardless of high rates of economic growth and industrial output, Balaguer's commitment to labor remained negligible. By and large, Balaguer's labor policy was one of frontal attack to restrain labor from disrupting his economic and political plans (Espinal, 1987b).

Nineteen-seventy-two marked a turning point in the development of the Balaguer regime. After six years of decisive offensives against the opposition, which frequently entailed violence and military actions, Balaguer initiated a somewhat populist strategy. The centerpiece of his agenda for social reform was the peasantry. Balaguer had been favored by the peasant vote and enjoyed widespread support in the rural areas (Espinal, 1987a). His strategy was not precisely one of counter-insurgency. Granted, guerrilla activities had sprung up sporadically, but they lacked mass support in the countryside. Land occupations were also reported, but they never reached crisis-proportions. As became evident subsequently, at the heart of Balaguer's controversial agrarian reform program, submitted to Congress in 1972, was the transferring of resources from the rural to the urban economy and the lowering of the cost of production of staples to sustain the industrialization process. Nonetheless, the agrarian reform became a
mobilizing instrument against hard-line landowners. Balaguer's Reformist Party mobilized landless peasants through the so-called Movimiento Agrario Reformista (MAR), which soon had an impact on society at large. After six years of a policy of social containment, it appeared that new spaces for participation were about to emerge. Besides rural mobilization, the economic growth of the early 1970s had expanded the bourgeoisie and the middle sectors who soon began to organize (Espinal, 1986). Meanwhile, the growing inflation beginning in 1972 led the government to carry out some populist measures that appeared to favor consumers. For instance, Balaguer would send the national guard to stores that were suspected of arbitrary price increases. These actions also contributed to strengthening the feeling that perhaps it was possible once more to articulate demands. In 1972, the government promulgated the profit-sharing law (Law 288), which stipulated that all enterprises with capital assets of more than 50,000 Dominican pesos had to distribute 10 percent of their annual profits to their permanent employees who were allowed to receive a maximum of one monthly salary (the law exempted all export-industries located in duty-free zones). In the midst of these changes labor began to reorganize. In 1972, FOUPSA-CESITRADO reemerged amalgamated with a dissident faction from the CASC. They formed the Central General de Trabajadores (CGT). Also, since 1972, the number of unions registered annually at the Labor Ministry's Oficina de Registro Sindical (ORS) rose: The annual average of certified unions increased from 9.6 for 1967-1971 to 38.6 for 1972-1977 (Espinal, 1987b).

The government's initial reaction to the reemergence of labor was not very favorable. The newly formed CGT was at first denied official certification. Two years passed before the Labor Ministry's ORS recognized the CGT. In response to this labor resurgence, the Labor Ministry approved a resolution in 1974 (Res.13/74) stating that all meetings to form a union, labor federation or confederation, to elect a governing board, to change by-laws, or to affiliate a union to a federation or confederation had to be attended by a Labor Ministry supervisor who would testify on the validity of the meetings and the decisions made. With this regulation the government sought to introduce mechanisms of control at a time when it was unpredictable how much labor activation would follow in the years ahead.

The mobilizations surrounding the 1974 elections became the most threatening actions against the government. A coalition was formed by the PRD bringing together minority parties from the center-right and the Marxist left. During the 1974 election campaign they shook the foundations of the Balaguer regime as they gained significant support from the population. Facing an electoral defeat, Balaguer had to resort to fraudulent measures to guarantee an electoral victory. Consequently the opposition withdrew from the electoral process two days before the contest. Thereafter, Balaguer faced both economic and political difficulties that weakened the basis of support of the regime.
As far as the labor movement was concerned, the relationship between labor and the government was always tense. Both employers and the government reacted aggressively against the emerging labor movement, not allowing the necessary space for labor to formulate grievances. Shortly after granting official recognition to the CGT, the police seized its headquarters. Later, in June 1975, the main CGT leaders were imprisoned in connection with an alleged accusation of a presumed guerrilla movement. Other leaders remained in exile. Although the labor movement remained weak as a whole, what was important about this resurgence was that labor soon became the symbol of struggle against the Balaguer regime. Hence, the movement was able to exert political influence out of all proportion to its actual size and strength. The failure of the opposition coalition to secure free elections in 1974 left a political space that was occupied by the CGT as the new articulating force in Dominican society. The CGT became the center of gravity; it brought together workers, peasants, students, artists, and professionals in opposition to the government. Thus, by 1977, the CGT had become the most important and militant labor confederation in the country.

The events of the 1970s show that labor contributed to the demise of Balaguer, especially when the CGT became the symbol of anti-authoritarian struggle attracting students, peasants, and middle sectors. Yet the capacity of the labor movement to become a powerful force in Dominican society proved to be a limited one. The labor movement did not take advantage of its increasing significance in political life (for instance, it failed to establish strong organizations to represent workers' interests and those of other groups in the long-run); nor did labor gain enough recognition to be integrated—even in a corporatist fashion—to the state. Thus, by and large, labor contributed to the transition by expressing opposition to the authoritarian regime without posing a major challenge to powerholders whose interest in democracy seemed to be contingent upon labor's relative weakness. Moreover, because all the basic democratic institutions were in place (e.g. Congress, the electoral system, political parties), they gained importance over labor organizations.

**Party and Labor Politics during the Transition**

In 1976, the PRD began to express its unconditional support for elections. It disassociated itself from the small right and left wing parties opposing Balaguer; it defined a social democratic stand which culminated in the incorporation of the PRD to the Socialist International. This gave the party a renewed strength both nationally and internationally, and once the 1978 elections approached and the PRD engaged in electoral politics the CGT ceased to be the center of opposition politics. Then party politics came to dominate political life. The electoral process played an important role here in helping to consolidate the PRD over the CGT as the credible democratic player. On the one hand, the PRD emphasized its commitment to
democracy and did not compromise with the political right or the Marxist left. On the other, the CGT became more identified with the Marxist left, which was not particularly interested in electoral politics. As the PRD became the center of gravity in the move toward democracy, organized labor remained away from the bargaining table. Despite its stated commitment to workers, the PRD lacked formal links with any of the existing labor confederations. The PRD’s appeals to workers were based on their identification with the party without trade union mediation; it appealed to workers as “the people” without relating to them as a class with their own collective projects. The situation can thus be described as one of disjunction between party and labor politics. Worth indicating is that, although the labor movement had been historically politicized, none of the two major contenders in the 1978 elections had strong ties with organized labor. On the one hand, Balaguer had never pursued a policy of labor incorporation and working class support for Balaguer had been meager. On the other, the PRD had broken organic ties with organized labor in the late 1960s and had not since pursued a policy of labor incorporation despite the party’s popularity among workers.

The relationship between the PRD and organized labor changed, however, after the PRD took power in 1978. The PRD continued to address workers as members of the “masses” but also colonized a labor faction. Shortly after the inauguration of the Guzmán government on August 16, 1978, PRD activists formed the Unión General de Trabajadores Dominicanos (UGTD). Theoretically, the formation of the UGTD implied more power for PRD working class followers, if not for the working class as a whole—the PRD platform was a progressive one concerning workers’ rights and had the PRD been faithful to its promises, labor gains would have been significant. Yet the formation of the UGTD posed more problems than solutions for an already splintered labor movement. Most importantly, it challenged the increasing labor hegemony of the more leftist CGT.

Labor and the Democratic Reconstruction of Politics

The First Encounter and the Growing Tensions

The inauguration of the PRD government in August 1978 represented a turning point in Dominican politics. After 15 years of frustrated democratic attempts, the PRD regained power promising to promote social justice and political participation. There were those with hopes, expectations and confidence that the PRD would govern to promote the democratic aspirations of large sectors of society. Others, some business groups and military officers among them, skeptical of democratic reforms, were fearful and threatened by the uncertainties. If nothing else, symbolically, the PRD victory meant the possibility of voicing long-suppressed demands. This by itself shook the foundations of authoritarian rule, which had defined the parameters of political life
in the Dominican Republic throughout most of the century. In particular, the transition reopened "labor's organizational space" (Valenzuela, 1987:7) once the most repressive policies and signals that characterized the authoritarian regime's labor containment policy ceased. It is understandable then that the change of government on August 16, 1978 was followed by trade union mobilization seeking corporate and political recognition.

The lifting of the regime's most repressive measures favored the emergence of organizational activities that could not have flourished before. A process of reconstruction of labor organizations began, to be followed by a struggle for collective bargaining—because collective negotiation implies the existence of trade unions, organizational attempts were at the heart of the struggle for collective bargaining. This was, no doubt, the first effect of the transition on labor and of labor on the process of political change. The number of new unions registered at the Labor Ministry's Oficina de Registro Sindical (ORS) rose considerably during the first four months of PRD government. (This increase can only be compared with—and is only surpassed by—the growing organization in the wake of the fall of Trujillo.) Between August 16 and October 17 1978, over 100 new unions filed for certification at the Labor Ministry's ORS. By the end of the year, a total of 117 new unions had been certified. In contrast, the annual average of certified unions for the period 1966-1977 was only 25.2 (Table 1).

<table>
<thead>
<tr>
<th>Periods</th>
<th>Annual Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1961-1965</td>
<td>47.8</td>
</tr>
<tr>
<td>1966-1977</td>
<td>25.2</td>
</tr>
<tr>
<td>1966-1971</td>
<td>11.8</td>
</tr>
<tr>
<td>1972-1977</td>
<td>38.6</td>
</tr>
<tr>
<td>1978-1986</td>
<td>126.1</td>
</tr>
</tbody>
</table>

Source: Calculations based on list of unions certified by the Labor Ministry (unpublished official records), Santo Domingo, Dominican Republic.

The organizational impulse in the wake of the transition marked labor relations in subsequent years. As expected, the growth in number of certified unions was not conflict-free. Resistance by employers characterized the process, leading to confrontations between workers
Employers and the government. Employers’ violations of the right to organize were frequently reported in the press, particularly during the first few months of PRD rule—for instance, 42.9 percent of labor reports in *El Sol* from August 16 to December 31, 1978 dealt with either calls for organization or violations by employers of the right of workers to unionize (Espinal, 1985). Through mobilization and organization labor leaders sought what Valenzuela (1987: 7-8) has summarized as "the four necessary tasks to occupy labor's organizational space" in an awakening process: a) the allegiance of the work force, b) the establishment of links among local unions in order to form a national leadership, c) the presence at the plant level to bargain with employers, and d) the recognition of the state. In these four areas the Dominican labor movement has had victories and defeats in the post-transition. A complex interaction of factors internal and external to the labor movement account for them and help to illustrate the intricacies of the process of democratic reconstruction.

It could have been expected that the construction of democratic spaces in Dominican society was to be problematic if successful at all. If "democracies have always been, and still are, failure prone" as Sartori says (1987:xiii), a long history of authoritarian politics was certainly not very favorable to democracy. Entrenched interests protected by authoritarian measures constituted a major obstacle to change. Employers in particular, an essential component in labor relations, had systematically benefited from labor containment strategies pursued by authoritarian regimes and had been freed from confronting labor as an organized and active force, except for the short period of democratic uprising in 1961-1963. Thus, the lifting of the most repressive policies that had framed labor relations was bound to generate conflicts and fears about the viability and desirability of democratic reconstruction of politics. If unions were formed and officially recognized, employers and the government were bound to confront them, either with acceptance or rejection, which in turn had implications for the quality of the democratic regime in the making. Consequently, the emergence of labor as a potentially powerful social force posed challenges to both business and the state in their regulatory capacity. Thus, questions to be examined are: How active has the labor movement been in the post-transition period? How have employers and the government reacted to an activated labor movement? Have new rules been enacted to regulate business-labor relations while preserving democratic rights?

Labor activism during the first four years of PRD rule is illustrated not only by the higher number of certified unions but also by the increasing number of overt class conflicts expressed in the form of strikes, threats of strikes, demonstrations, picketline, stoppages, and church occupations. As indicated in Table 2, the number of labor actions increased from a total of 88 in 1979 to 225 in 1981. The number of workers' complaints officially filed at the Labor Ministry increased as well, signalling the rising expectations generated by the democratic process—they rose from 4,744 in 1978 to 11,167 in 1980 (Table 3).
The initial economic response of the first PRD government headed by Antonio Guzmán (1978-1982) consisted of a package of Keynesian measures known as "programa de demanda inducida," which included higher wages, more public jobs, and price controls. Despite some business opposition, the battle over an increase in the minimum wage was easily won. The proposal was introduced in Congress by President Guzmán and became law in May 1979. The nominal minimum wage was increased by about 30 percent (from 95 to 125 Dominican pesos a month). In real terms, however, the increase had a very limited impact. With soaring inflation affecting the Dominican economy, by 1982 the real wage was already somewhat lower than in 1979 before the
Table 2

Trends in Labor Action, 1979-1985

<table>
<thead>
<tr>
<th>Years</th>
<th>Strikes</th>
<th>Threats of strikes</th>
<th>Others $^2$</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979</td>
<td>37</td>
<td>21</td>
<td>29</td>
<td>87</td>
</tr>
<tr>
<td>1980</td>
<td>53</td>
<td>36</td>
<td>50</td>
<td>139</td>
</tr>
<tr>
<td>1981</td>
<td>81</td>
<td>74</td>
<td>60</td>
<td>215</td>
</tr>
<tr>
<td>1982</td>
<td>70</td>
<td>45</td>
<td>56</td>
<td>171</td>
</tr>
<tr>
<td>1983</td>
<td>33</td>
<td>40</td>
<td>32</td>
<td>105</td>
</tr>
<tr>
<td>1984</td>
<td>26</td>
<td>14</td>
<td>12</td>
<td>52</td>
</tr>
<tr>
<td>1985</td>
<td>15</td>
<td>18</td>
<td>22</td>
<td>55</td>
</tr>
</tbody>
</table>

$^1$ Information collected from newspaper reports.
$^2$ Includes picketlines, demonstrations, church occupation, and the like.

Source: Department of Labor Economics, the Labor Ministry (unpublished official records), Santo Domingo, Dominican Republic.

Table 3

Labor Complaints Filed at the Labor Ministry

<table>
<thead>
<tr>
<th>Years $^1$</th>
<th>Number of Complaints</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977</td>
<td>5,811</td>
</tr>
<tr>
<td>1978</td>
<td>4,744</td>
</tr>
<tr>
<td>1980</td>
<td>11,167</td>
</tr>
<tr>
<td>1983</td>
<td>5,396</td>
</tr>
<tr>
<td>1985</td>
<td>5,189</td>
</tr>
</tbody>
</table>

$^1$ Data available only for those years.

Source: Department of Labor Economics, the Labor Ministry (unpublished official records), Santo Domingo, Dominican Republic.
raise (see Table 4). But despite its negligible impact in enhancing the workers' purchasing power, the wage increase had political implications. After long years of wage austerity under Balaguer, any flexibility on the part of the government helped to further labor struggles and was welcome by wage earners.

Once a nationwide pay raise had been approved, the next step for labor was to engage in collective bargaining, a restricted activity since the 1966 Austerity Law. With the lifting of these provisions, the foundations of the labor relations system, as it had evolved since the mid-1960s, were challenged. After all, collective bargaining assumes the willingness of employers to negotiate and to make concessions, both of which had been largely absent during the Balaguer period. Highly protected by the state, employers had little desire for and limited experience in dealing directly with labor.

After 1978, the number of collective bargaining contracts \((\text{pactos colectivos})\) rose, reaching a peak in 1980 when 75 \text{pactos colectivos} were signed. In the period from 1970-1977 the annual average of collective bargaining contracts was 31.3, and it rose to an average of 55 between 1979 and 1982. Moreover, of those firms that reported collective agreements between

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**Table 4**

**Minimum Wage, 1978-1986**

<table>
<thead>
<tr>
<th>Years</th>
<th>Price Index(^1)</th>
<th>Nominal (MW)(^2)</th>
<th>Real (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>107</td>
<td>60</td>
<td>56</td>
</tr>
<tr>
<td>1979</td>
<td>117</td>
<td>60/125</td>
<td>51/107</td>
</tr>
<tr>
<td>1980</td>
<td>137</td>
<td>125</td>
<td>92</td>
</tr>
<tr>
<td>1981</td>
<td>147</td>
<td>125</td>
<td>85</td>
</tr>
<tr>
<td>1982</td>
<td>158</td>
<td>125</td>
<td>79</td>
</tr>
<tr>
<td>1983</td>
<td>169</td>
<td>125</td>
<td>74</td>
</tr>
<tr>
<td>1984</td>
<td>210</td>
<td>125/175</td>
<td>59/83</td>
</tr>
<tr>
<td>1985(^3)</td>
<td>261</td>
<td>175/250</td>
<td>67/96</td>
</tr>
<tr>
<td>1986</td>
<td>282</td>
<td>250</td>
<td>89</td>
</tr>
</tbody>
</table>

\(^1\) 1976-1977 = 100
\(^2\) In Dominican pesos.
\(^3\) Data for 1985 and 1986 are projections.

Source: *Boletín Mensual del Banco Central*, various issues, Banco Central de la República Dominicana, Santo Domingo, Dominican Republic.
1979 and 1982, 62 percent did so for the first time during those years. (A decline in the number of collective agreements became evident, however, after 1982; in 1985 and 1986 respectively only 29 and 27 such contracts were reported.)

The struggle for collective negotiation confronted difficulties as it proceeded. Repressive actions by employers were frequently reported in the media. For instance, of all press releases issued by labor organizations denouncing labor repression during the first PRD term, 37.5 percent linked repression to collective negotiation (El Sol, Dec. 1978-May 1982). Trade unions frequently complained of tactics employed by business to delay negotiations or dismiss agreements previously reached. Major business associations also complained about what they perceived as "government irresponsibility" in handling labor conflicts (Espinal, 1985). On several occasions, they publically demanded government intervention to enforce the law and regulate labor action.

In the midst of increasing labor conflicts throughout the period 1978-1980, the government failed to bring about concertation. At first both labor and business hardened their positions in a struggle to impose new rules of the game. They both mistrusted the government as a mediator and guarantor of agreements though for different reasons. On the one hand, the labor movement was highly influenced by the political opposition, whether the left which had remained skeptical of and detached from the democratic process, or the right that had little desire to pact with the PRD. On the other hand, business feared a pro-labor government stance, given the PRD's populist rhetoric. In an effort to reduce labor-business tensions in 1979, Guzmán asked business to accept unionism in exchange for restraint in labor's socio-economic demands. Business remained silent to the call for cooperation and labor rejected it outright. Later that year, labor agreed to participate in a series of tripartite dialogues mediated by the Secretary of Labor, but business representatives ignored the invitation (Espinal, 1985). Subsequently, the government proved increasingly incapable of acting as a mediator, especially once the adjustment policies began to be implemented in 1981 and the options for negotiation shrank. At this moment, the attempts at concertation failed and Dominican democracy continued to unfold without the "class compromise" (Przeworski, 1985) associated with well-established democracies.

Oil, Sugar, Labor and the Debt

By and large, the history of labor struggles during the PRD tenure in power must be understood in the context of the devastating economic policies imposed by the external debt. Between 1979 and 1981 the fiercest struggles were carried out by transportation unions in reaction to increases in oil prices. During this period the price of gasoline alone went up more than 100 percent, with subsequent increases in transportation fares. Drivers’ strikes soon gained considerable attention because of their ability to disrupt traffic and paralyze the economy. They
frequently turned into street violence, resulting in casualties that called into question the
democratic character of the newly established government.

The other crisis-sector was the sugar industry where a number of strikes, stoppages,
threats of strikes, and demonstrations took place all throughout the 1980s. Every year, at the
beginning of each harvest, a series of strikes and stoppages were organized to demand the
annual bonus payment as stipulated by Law 80 of 1974 (Plant, 1987). At the height of the sugar
boom in 1974, the government had established that 15 percent of the profits made by sugar
companies was to be distributed among sugar workers. During the remaining years of the
Balaguer regime, with a labor movement repressed and in disarray, the government did not show
much commitment to complying with the law. Under the PRD, labor began to struggle for the
payment of annual bonuses and other benefits. FENAZUCAR, the sugar federation affiliated to
the CGT, played an important role in coordinating this struggle. Each year, around November, a
list of demands was presented to the government's *Consejo Estatal del Azúcar* (CEA). Between
1979 and 1982, workers received at least half of the bonuses requested (usually the equivalent of
two-week or a monthly wage); but beginning in 1983, the sugar workers' struggle became more
problematic as the crisis of the sugar industry deepened. With the persistent decline of sugar
prices and the reduction of the U.S. sugar quota, the government (which owns two-thirds of the
sugar mills) faced more constraints in delivering benefits while responses turned more repressive.
Moreover, workers began to confront not only the problem of improving their precarious working
conditions but also that of merely keeping their jobs. The drastic reduction of the U.S. sugar
quota in 1985 and 1986 led to a policy of closing state-owned sugar mills with the loss of
thousands of jobs.

During the Jorge Blanco government (1982-1986), the economic conditions for the
working class further worsened. Official negotiations with the International Monetary Fund (IMF)
began late in 1982 and the initial demands made by the IMF in January 1983 included the usual:
restrictions of credit by the Central Bank to the public sector, a value-added tax on consumer
items, and the free-floating of the U.S. dollar (this meant ending par value and preferential
exchange). After the Guzmán years of relative expansion of the public sector and a modest wage
increase, the Jorge Blanco administration announced at the outset wage austerity, higher taxes,
price liberalization, restrictions on imports, and an end to the peso's parity with the U.S. dollar.
Business, by and large, accepted the measures. They favored fiscal austerity (specifically
concerning public wages), price liberalization, and the end of the monetary parity. Only small and
medium sized import-0
substitution industrialists expressed opposition, especially to ending par value exchange. The
working and middle classes, however, were unhappy with these policies. They immediately felt
the negative consequences, particularly in 1984 when the government announced the end of
preferential exchange. In a matter of days the prices of all products, and of imports in particular, rose dramatically. The uncontrolled increase in the price of basic foodstuffs and medicine fueled popular anger, and on April 23, 1984 hundreds of popular organizations called for a strike demanding a repeal of the price increases and a raise in the minimum wage, which had remained unchanged since 1979. Instead of evolving into an organized strike, the protest movements took a violent and disjointed form. Angry demonstrators took over the streets, burned buses, broke into food stores, and blocked off main roads (Plant, 1987). Both the government and the general population were surprised: Neither one expected such violent reactions. The government response consisted of violent attacks, which resulted in numerous casualties (hundreds of wounded and about 100 deaths). Unprepared for such a massive outburst—unknown in recent Dominican history—the security police and the national guard reacted in a highly repressive fashion. Besides the casualties, the most negative outcome of this event was popular disenchantment with the Jorge Blanco government; whatever confidence was left after the implementation of IMF austerity measures quickly vanished after April 1984.

The most important gain to labor in the wake of the outbreak was an increase in the minimum wage. Law 209 of May 11, 1984 authorized an increase from DR$125 to DR$175 monthly. The impact of this increase on real wages was, however, negligible (see Table 4). Prices continued to rise and the Dominican peso to be devalued. But despite the worsening of the economic situation, labor actions surprisingly declined in 1984-1985 (see Table 2; also Table 3 for a reduction in the number of complaints), even though labor demands continued to be unmet. The April riots showed the capacity of popular forces to disrupt the system, but the government's repressive response intimidated popular forces. Moreover, the spontaneity of the movement pointed to the weakness of organized labor. During the April riots, trade unions showed little control over the situation while unknown popular organizations, frequently claiming neighborhood representation, assumed leadership.

Since April 1984, Dominican society has witnessed an important change in the forms of popular struggle. Unlike the final years of the Balaguer regime and the first PRD government, when social groups sought to coalesce in various organizations aimed at channeling demands and setting the stage for formal negotiation and concertation, popular protests have become more spontaneous, somewhat disorganized, and frequently violent. Politically, this change is revealing. The failure of popular organizations, labor in particular, to gain a position in the formal negotiating process at the plant or governmental level seems to be at the heart of the problem motivating these spontaneous and somewhat chaotic popular responses to the highly detrimental adjustment policies. On the one hand, the government's attempts to insulate itself from societal pressures together with PRD's intra-elite rivalry made it difficult for the ruling party to address labor demands effectively. On the other hand, the ability of labor to protect itself from the
devastating effects of the economic crisis was damaged by labor disunity; a weak and splintered labor movement was not in a position to confront on its own a pro-business labor relations system in the midst of an economic crisis. Moreover, labor leadership, as examined below, showed little commitment to workers’ causes, choosing instead to respond to their political sponsors.

The Failure to Unite

Labor activism during the first PRD term motivated a reorganization of the labor movement. This was first reflected in attempts made to form new labor confederations and, later, to unite the movement. The CGT, following its increasing hegemonic role during the opposition to Balaguer, sought to play a leading role in the post-transition period. Yet CGT leadership within the labor movement was soon challenged by the newly created pro-PRD Unión General de Trabajadores Dominicanos (UGTD). At first the formation of the UGTD was rejected by other labor confederations who feared aggression in the recruitment process. And the concern was a valid one. After its official recognition in November 1978, the UGTD began recruiting labor unions, particularly in state-owned enterprises, which employ some of the oldest and largest unions in the country. The endeavor was successful; being the ruling party and enjoying electoral support among the working class, the PRD was in a position to help the UGTD. By 1983, about half of the unions in the 33 non-sugar state-owned enterprises had been affiliated to the UGTD (Espinal, 1985). This process was not, however, conflict-free. Given the historical configuration of the labor movement, it was difficult for the UGTD to subordinate other well-established labor confederations like the leftist CGT and the Christian-Democrat Confederación Autónoma de Sindicatos Clasistas (CASC). Thus, a keen process of competition over the "appropriation" of unions ensued. The fiercest confrontation was between the CGT and the UGTD over recruitment of the Sindicato Unido of Central Romana, the largest trade union in the country with 17,000 members and a history of labor militancy. (Central Romana is the major foreign-owned sugar company, then owned by Gulf and Western.) After long disputes over rights to affiliate the Sindicato Unido the Labor Ministry ruled in favor of the UGTD.

In the midst of disputes over union recruitment, an important attempt was made in 1980 to unify the labor movement. The increasing organization of business, the insensitivity of employers and the government to many labor demands, and the deterioration of the economic situation generated an increasing interest in the "organic unity" of the labor movement. A commission known as the Consejo de Unidad Sindical (CNUS) was formed in 1980 to promote labor unity, with members from the CGT, CASC, the pro-Communist Confederación Unitaria de Trabajadores (CUT) and the conservative Confederación Nacional de Trabajadores Dominicanos (CNTD). (Only the UGTD was excluded.) In June 1980, a consulting assembly was held with the participation of 140 labor organizations. The document issued by the CNUS consulting assembly
set forth: (1) criticisms of government economic policies that resulted in a higher cost of living, in particular, the increase in gasoline prices; (2) demands for higher wages and price controls; (3) the approval of a new labor code granting union rights and job security; and (4) a call for labor unity. On this last point, the document stated two main causes for the failure of previous unifying attempts: first, the sectarian position of each faction, which had generated an irrational competition between labor confederations over union affiliation; and second, the bureaucratic style of labor organizations, resulting in the exclusion of the rank-and-file from the decision-making process. To avoid new failures, the document emphasized that the process of unification had to be democratic, based on rank-and-file participation (CNUS Documents, 1980).

Yet despite critical self-evaluation of previous unifying attempts, the CNUS was not successful. The CASC withdrew its support very quickly, claiming that the CGT had been splitting CASC-affiliated unions. Subsequently, progress towards unity was slim. In due course, both the CUT and the CNTD abandoned the CNUS as well. Thus, by the end of 1980 the CNUS was reduced to the CGT.

After the failure to bring "organic unity" to the movement, the main labor confederations decided to promote what they labelled "strategic unity," i.e., unitary actions around concrete demands, not on ideological or organizational grounds (Espinal, 1985). The new approach reflected a more pragmatic position and an acknowledgement of the ideological and political fissures that prevented labor unity. But even this restricted approach to unity confronted difficulties as the labor movement experienced further fragmentation in the 1980s.

In the aftermath of the democratic transition in 1978, the labor movement found itself divided in five labor confederations (CGT, UGTD, CASC, CUT, and CNTD). Yet ten years after, far from having achieved unity, the labor movement finds itself further fragmented. Two main divisions with political overtones occurred, one in 1983 and the other in 1985. In 1983, the CGT split when a faction associated with Juan Bosch's Dominican Liberation Party (PLD) ended its labor alliance with Marxist organizations. This reflected changes within the PLD, which after making electoral inroads in 1982 sought to define its own political identity away from the Marxist left. The dispute over control of the CGT lasted over a year until the PLD decided to incorporate its own Central de Trabajadores Mayoritaria (CTM). In 1983, tensions began to mount also in the UGTD. Despite its initial expansion, the UGTD was bound to confront problems for two main reasons: first, the growing factionalism within the PRD, and second, its lack of autonomy from the party. During the "golden age" of expansion (1979-1981), the forces of fragmentation remained subordinated, but this changed after the 1982 elections when factionalism within the party deepened and proved to be an endemic problem. Ultimately, a faction broke away to form the Central de Trabajadores Clasistas (CTC). Since, seven labor confederations continue to
reproduce the trends of the post-1960; namely, organizational weakness, limited representativeness, political rivalry, and lack of autonomy from political organizations.

The splits in the CGT and the UGTD pose serious problems for the Dominican labor movement. As of 1982, they were the largest labor confederations in the country, and all problems aside, they represented the most progressive and militant factions within the movement. The first net result of the divisions is that they have lost membership; as of 1986, the conservative CNTD showed the highest percentage of affiliates as indicated in Table 5. To this should be added that the Christian-Democratic CASC is now under the umbrella of Balaguer’s Reformist Party, which changed its name to Partido Reformista Social Cristiano (PRSC) in the early 1980s in an effort to gain an ideological identity. Secondly, the CGT was the most militant labor confederation and by the late 1970s it had gained considerable respectability both within and outside the labor movement. Yet the split weakened the bargaining power of the CGT both within the labor movement and in relation to business and the government. Thirdly, the UGTD, with its proclaimed social-democratic platform and its links to the PRD, was in an advantageous position to make inroads and get concessions for labor. However, politically motivated infighting prevented this from happening. Instead of strengthening the labor movement, the UGTD soon became an arena for clientelistic politics between labor and party factions. Thus, the PRD instead of helping to articulate labor demands through the UGTD ultimately fostered labor fragmentation. Moreover, the formation of the UGTD in the first place reflected the unwillingness of the PRD to fortify labor confederations by working with the existing ones.
Instead, the PRD sought to colonize its own labor faction. Last, but not least, working against the trade union movement is the limited representativeness of organized labor in relation to the working population at large. The precise figure on the level of unionization is not known, but unofficial estimates suggest a low of about 10 or 15 percent. In this context, further fragmentation of labor confederations only helps to weaken an already weak labor movement.

In the midst of conservative trends both politically and economically—i.e., the return of Joaquín Balaguer to power in 1986 and the persistence of adjustment policies—the labor movement finds itself weak and divided. The first year of the new Balaguer presidency passed without much labor tension. Meanwhile, some minor attempts were made by various labor confederations to discuss labor unity. The CGT and the CTM emphasized the need for unity in their respective annual Congresses. Labor confederations affiliated to ORIT-CIOSL—the UGTD, CTC, and CNTD—also began dialoguing about possible unitary actions. They formed the Coordinadora de Unidad Sindical (CUS). These attempts, nonetheless, will most likely be fruitless. They may help temporarily to portray a more unified movement but the conditions that have led in the past to fierce rivalry and fragmentation are still in place, in particular, the limited autonomy of trade unions from political parties, the inability of the labor leadership to integrate various partisan interests within a single labor confederation, and the weak structures binding labor bureaucracies and the rank-and-file.
In Conclusion

As shown in this paper, labor has played a minor role in shaping the democratic regime in the Dominican Republic. By and large, the movement continues to be weak as a result of adverse structural conditions and the inability of the working class to foster autonomous trade unions. It also continues to be strategically excluded by powerholders; the stunning indicator being that after ten years of democratic rule (1978-1988), the Dominican labor movement has such limited gains to report. For instance, the adverse labor laws dating from the 1950s remain unchanged, and except for sporadic minimum wage increases, both labor and the PRD failed to modify the system of labor relations. A combination of factors, including: (a) the structural weakness of the labor movement as expressed in low levels of unionization and splinter politics; (b) the limited commitment of the PRD to consolidate the labor movement; (c) an intransient business community; and (d) the unfavorable economic conditions have worked to prevent the incorporation of labor into the decision-making process. They have also prevented institutional and substantive compromises that could bring stability to the democratic regime. No doubt the suffering and tensions emanating from the current economic situation have encouraged attempts at negotiation. However, lacking organizational strength and the support of a pro-labor government, workers continue to be relegated to a second-class position; the main difference being that in the post-transition period labor leaders have been freer to express their concerns and have been met sporadically at the negotiating table, even if not much negotiation actually takes place. A noteworthy new phenomenon is that in the vacuum left by the failure to institutionalize concertation, tripartite dialogues of labor, business, and the government are frequently called for and mediated by the Catholic Church hierarchy, in particular, when tensions reach crisis-proportions.

A point that should be emphasized in this conclusion is that the course of events examined above was not necessarily inevitable. The adverse conditions discussed were certainly major obstacles but opportunities did also exist. Despite the structural impediments imposed by an economy of limited industrialization and large unemployment (calculated at about 24 percent in the 1970s and 30 percent in the 1980s), the expectations were that the PRD would contribute to end decades of labor containment strategies and labor splinter politics. Yet the government's willingness to use force and the PRD's lukewarm commitment to labor once in power frustrated those expectations. Working against a stronger bond between the labor movement and the PRD was the limited representativeness of organized labor, which made it easier for the PRD to disregard its commitment to workers as stated in the party platform. In turn, the small labor movement, drawn into splinter politics, has proven unable to get important concessions from a better-organized business community and a state willing to use force to contain labor demands if
necessary. We can only speculate at this point that labor would have stood a better chance of meeting some of its most pressing needs—despite all adversities—had the different confederations been able to unite instead of being drawn into split and splinter politics.

A transition that lacked explicit pacts produced a democracy that continues to exist without them. Labor mobilized and continues to mobilize, but the labor movement as such has not undergone any significant changes in terms of its structure or political coloration. Only more of the same; namely, limited representativeness due to low levels of unionization and splinter politics. Moreover, the failure of the PRD to fortify a labor confederation with various partisan representation, coupled with infighting within the party, only contributed to reinforcing the perennial weakness and lack of autonomy of the labor movement. This precludes labor from posing a major threat to the democratic regime as it exists, but does not provide the certainty that helps to institute and consolidate democratic institutions. In other words, organized labor may be weak but, after all, democratic ideals have been forged and the pressing needs of the working population can be easily articulated in various forms.

In 1988, with the worsening of the standards of living, the feelings of anger and despair have reappeared in Dominican society. As in 1984, popular demonstrations have taken the form of violent food riots (destruction of food stores, stone throwing, tire-burning), which can easily paralyze towns and major cities for hours while the population is terrorized. Initially, organized labor backed these protest movements, which claim to be organized by the so-called Comités de Luchas Populares (CLP) whose structure, composition, and leadership are still little known. But as the assaults have turned more threatening and unmanageable, organized labor has opted for negotiation with business and the government, the Catholic Church playing a mediating role. Central in these negotiations are wages, the only realistically negotiable item on the agenda. But whether organized labor will stay at the negotiating table or back the more spontaneous explosions of the urban poor is crucial for the survivability of both the labor movement itself and the democratic prerogatives in place since 1978. If organized labor disregards popular demonstrations, it runs the risk of losing the limited credibility it has as a representative of workers. If it backs violent demonstrations, it might contribute to the instability of a "long-lived" but still fragile democracy. It is in this dilemma then, defined by a precarious "crisis-prone" democracy, that a weak and divided labor movement finds itself in the Dominican Republic.


