

WORKING THROUGH THE PAST

Labor and Authoritarian Legacies in
Comparative Perspective

**Edited by Teri L. Caraway,
Maria Lorena Cook, and
Stephen Crowley**

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LABOR AND AUTHORITARIAN LEGACIES

*Teri L. Caraway, Stephen Crowley,
and Maria Lorena Cook*

What determines the ability of workers to defend their interests in the contemporary world? Outside of advanced capitalist societies, much of the explanation has centered on the twin epochal changes of the last few decades, namely democratization and globalization, with most arguing that the political opportunities created by democratization are outweighed by the economic constraints imposed by globalization. In this volume we focus on authoritarian legacies, an important factor that is frequently overlooked but is often crucial for understanding the opportunities and constraints workers face across much of the world.

For much of the late twentieth century, unions in Eastern Europe, Latin America, and Asia labored under authoritarian regimes that set strict boundaries on their political and economic activities. Although the “workers’ states” of Eastern Europe created unions with near-universal membership, those unions were subordinate to ruling Communist parties, had little to no independent voice, and sought primarily to ensure that workers were productive members of society (Crowley and Ost 2001). In parts of Latin America, authoritarian backlashes in the 1960s and 1970s produced military regimes that repressed the region’s politically active unions (O’Donnell 1973). These dictatorships saw labor as partly responsible for the political instability of earlier democratic regimes and as an ongoing threat (Valenzuela 1989; Drake 1996). In East and Southeast Asia, authoritarian regimes usually subordinated unions in exclusionary corporatist arrangements that sharply constrained the ability of workers to mobilize

collectively. Efforts to organize independently were greeted with violence and intimidation (Deyo 1989; Hadiz 1997).

Given the antilabor orientation of many authoritarian regimes, it is perhaps unsurprising that worker mobilization was often an important element of the popular protests that heralded the end of authoritarian rule (Fishman 1990; Seidman 1994; Adler and Webster 1995; Drake 1996; Collier and Mahoney 1997; Koo 2000; Encarnación 2001; Ost 2005; Y. Lee 2011).¹ After years and even decades of labor repression under authoritarian regimes, democratization promised more influence and power for unions. With democracy would come freedom of association, which would put an end to state-enforced union monopolies. Enhanced respect for civil liberties would create more political space for organized actors to advocate for their economic interests. Elections would open the way for the restoration or development of mutually supportive ties between parties and unions. These political transformations would make it easier—and safer—for unions to mobilize, both in the workplace and in the broader political arena.

It was precisely this promise of newfound power for labor that caused some scholars to identify labor as a potential destabilizing factor in fragile new democracies (O'Donnell, Schmitter, and Whitehead 1986; Przeworski 1991; Haggard and Kaufman 1995). Despite the greater opportunities for workers to exert their collective power, however, the increased political and organizational freedoms of democracy have brought mixed results. Unionization rates have fallen worldwide in recent years, but the drop has been particularly steep in a number of postauthoritarian countries, and real wages remained constant and even fell for prolonged periods in many of them as well (International Labour Office 1997; Crowley 2004; L. Cook 2010). Where labor had partisan allies, the strength and utility of that bond weakened considerably (Gibson 1997; Burgess 1999, 2004; Avdagic 2004). As Linda Cook (2010) observed in her analysis of labor rights in postcommunist Eastern Europe, labor has “more rights” but “less power.”

One reason for this outcome, of course, is that neoliberal market reforms—or in a word, globalization—often accompanied democratization. The market liberalization and structural adjustment policies advocated by neoliberals fundamentally restructured economies and deepened their integration into global markets (Haggard and Kaufman 1995). Capital became increasingly mobile and therefore powerful, while labor remained typically rooted in place (Tilly 1995; Jacoby 1995). The intensification of competitive market pressures, in turn, resulted in substantial job losses in uncompetitive sectors of the economy and prompted employers to pursue greater flexibility in their workforces (Standing 1997; Seidman 2004). In many countries, informal-sector employment has increased and exceeds that in the formal sector (Freeman 2009). Retaining existing

union members, much less organizing new ones, has proven difficult in the context of increased precariousness. These processes have affected long-standing democracies in the developing world, such as India and Costa Rica, as well.

The “dual transitions” of democratization and neoliberal reform therefore push in different directions for organized labor. Whereas democratization has potentially enhanced labor’s associational power, globalization and market reform have undercut labor’s structural power (Wright 2000). Moreover, globalization weakens not only labor but also potentially its most valuable ally, the state, resulting in a downward spiral as flagging state capacity vitiates the labor rights guaranteed by national law (Tilly 1995). Yet, as Silver (2003) has noted, capital’s endless search for new products and new sites of production also brings with it cycles of protest that create dynamic labor movements. Although labor may be down, it is not out, as evidenced by union resurgence in Argentina (Etchemendy and Collier 2007), union resilience in Slovenia (Feldmann 2006; Crowley and Stanojević 2011), and signs of renewed feistiness in Indonesia (Juliawan 2011; Caraway and Ford 2014). Even in authoritarian China, worker protests have put pressure on the state to accommodate some of their demands (C. Lee 2007; Solinger 2009).

Moreover, despite the generally gloomy picture, race-to-the-bottom pressures have not had uniform effects on labor in new democracies, which suggests that unions enter these struggles with different resources in distinct strategic contexts (Candland and Sil 2001). For example, in the realm of collective labor rights, scholars employing discrete measurements and methodologies agree that the gains in labor rights that were made in new democracies have not been completely undone by global economic pressures (M. Cook 1998, 2002, 2007; Cingranelli 2002; Murillo 2005; Murillo and Schrank 2005; Neumayer and De Soysa 2005; Mosley and Uno 2007; Caraway 2009; Greenhill, Mosley, and Prakash 2009). Similarly, with respect to individual labor rights, while some studies have found more flexibilizing reforms in the area of individual rights than collective rights, some countries have nevertheless enacted laws that offered greater protections for individual labor rights (M. Cook 1998, 2007; Murillo 2005; Caraway 2009, 2010a; L. Cook 2010). There is sharp variation among democracies in the level of collective and individual labor rights, and the gap between *de jure* and *de facto* levels is wide in most countries (Burgess 2010; Cammett and Posusney 2010; Caraway 2010a; L. Cook 2010; Stallings 2010). Yet enshrining stronger protections into law provides workers and unions with important levers of power that should not be dismissed lightly.

Scholars have also shown that despite the perilous politics of dual transitions, unions varied significantly in how they navigated the shoals of neoliberal reforms (Levitsky and Way 1998; Burgess 1999, 2004; Murillo 2000, 2001; Ost 2000;

Madrid 2003; Tafel and Boniface 2003; Avdagic 2004). Some successfully resisted reforms, others fought reforms, but not very hard (and hence not very successfully), and yet others engaged in “bargained liberalization” (Webster and Adler 1999) or revived national-level social bargaining (Encarnación 1997; Royo 2006).

Neither democratization nor globalization, then, has produced homogeneous effects on labor.² Simply put, a major reason for this variation is that organized labor entered the postauthoritarian era from different starting points (Locke and Thelen 1995). In order to fully understand this variation, we need to explore the deeper historical forces that have shaped labor’s capabilities and the terrain on which it acts. We argue that legacies whose roots lie in authoritarian regimes significantly influence labor’s ability to respond to new challenges and opportunities presented by dual transitions. Unions enter the democratic era with varying organizational resources, membership bases, partisan relationships, ideological baggage, and mobilizational capacities. This inherited set of resources, relations, and capacities considerably shapes the trajectories that labor follows once authoritarianism ends.

Similar to Ruth Berins Collier and David Collier’s seminal *Shaping the Political Arena* (1991), we draw on a historical-institutionalist perspective, centering our analysis on how past institutional configurations, in particular the institutions associated with labor incorporation, endure and affect politics many years after their founding. Although we are explaining distinct outcomes, our approach draws heavily on the theoretical insights from *Shaping the Political Arena*. Collier and Collier (1991) argued that the “initial incorporation” of labor during the first half of the twentieth century in Latin America—a period during which the state and political actors first recognized labor as a legal actor and potential political force—had important consequences for subsequent regime dynamics. During this period, states and parties fundamentally reconfigured their relationships with unions, establishing new institutions that regulated unions and labor relations. We extend Collier and Collier’s analysis in time by addressing how legacies from predemocratic regimes have shaped labor’s fate from the 1980s to the present, focusing on the impact of past labor incorporation on labor politics after democratic transitions. The temporal and geographic scope of our analysis also means that we place less emphasis on initial incorporation than Collier and Collier and give more attention to recent episodes in which authoritarian regimes refounded labor institutions or grafted new institutions onto old. We argue that the web of formal and informal institutions established prior to democratic transitions has proven to be remarkably sticky and continues to shape labor politics decades later.

Given the fundamental transformations many of these countries have undergone and the time that has elapsed since the initial democratic breakthrough,

some scholars seeking to explain the problems faced by organized labor have argued that emphasizing legacies can be misleading because “there comes a time when you have to stop blaming the past” and instead focus on more proximate causes, such as the pressure for market liberalization (Meardi 2012, 172; see also Bohle and Greskovits 2006). Although we do not contend that authoritarian legacies are the only—or always the most important—factor that shapes labor’s present, the following chapters demonstrate that in many countries the imprint of the past continues to weigh heavily, interacting with more proximate causes in ways that have both benefited and harmed the development of labor movements. Ignoring the past, we therefore argue, is even more misleading than merely blaming the past.

Many works about labor in new democracies draw on authoritarian legacies to explain specific outcomes such as labor weakness, mobilization against economic reforms, and labor law reforms. None so far have systematically addressed how the effects of authoritarian legacies evolve over time, or traced how variations across such legacies affect the distinctive pathways and outcomes that labor has experienced in different settings.³ In this volume, we put legacies front and center and assess their *comparative* impact on a variety of outcomes relevant to labor in widely divergent settings.⁴

To this end, we adopt a cross-regional approach to the study of authoritarian legacies. Aside from the inherent appeal of a geographically diverse comparative study, historical and institutional differences among the regions result in qualitatively distinct legacies. A cross-regional approach allows us to consider a broader menu of legacies and thus to develop a richer analysis of how legacies affect labor in new democracies. We focus on three regions—East and Southeast Asia, Eastern Europe, and Latin America—where many countries have undergone democratization and for which sufficient comparative work exists to make empirically and theoretically grounded generalizations about regional patterns.⁵ By expanding the universe of empirical cases, *Working through the Past* yields important insights about labor in new democracies.

Defining Authoritarian Legacies

Comparative historical scholars frequently deploy the term “legacy,” but they attach quite different meanings to it. In *Shaping the Political Arena*, Collier and Collier conceptualize legacies as a dependent variable that is intimately tied to their critical juncture analytical framework (see also Mahoney [2001]). For them, legacies are the outcomes produced by the political dynamics unleashed in the wake of a critical juncture. Labor incorporation constituted such a critical juncture,

and different forms of labor incorporation produced a set of institutional and political consequences that in turn generated distinct legacies.

Far more commonly, however, scholars treat legacies as causal factors— independent variables—that contribute to a specific outcome. Most broadly, “legacy” connotes the continued influence of the past on the present, but it is defined and operationalized in widely varying ways. Some scholars employ legacies as explanatory variables without providing a precise definition of the term (Hagopian 1993; Mahoney 2003; Bernhard and Karakoç 2007), while others define legacy so broadly (including a country’s religious and ethnic diversity, for example) as to make it a synonym for historical background (Pop-Eleches 2007). The term “legacy” invariably implies a causal claim about how past events, institutions, configurations of power, and social relations contributed to particular outcomes in later historical periods. As Elster, Offe, and Preuss (1998, 293) explain, legacies are a “determinant of present outcomes that stem from the (distant) past, such as inherited endowments of actors with material resources, mentalities, and traditions.” Thus, legacies have also become shorthand to describe the “initial conditions” or starting point from which politics unfolded during political transitions (Linz and Stepan 1996; Kitschelt et al. 1999; Ekiert and Hanson 2003; Pop-Eleches 2007).

For the concept of legacy to be useful, however, scholars must move beyond the obvious if important point that “history matters.” Throughout this work we conceive of legacies as having a historically recent and identifiable genesis rather than the deep historical explanations employed by some who invoke the concept.⁶ For example, we exclude from our use of legacy the deep legacies invoked in different ways by Braudel (1972–73) and Putnam (1994) to explain seemingly entrenched patterns of behavior across great expanses of time. There are methodological as well as practical reasons for this: we agree with Kitschelt (2003) that analyses that lean heavily on historically deep legacies often end up with interesting correlations, but typically fail to provide a causal mechanism that links past to present. Legacies are not merely historically produced variables or historical background. Such a conceptualization is overly encompassing—it can include just about everything—and usually fails to trace the processes through which the legacies endure and are actively reproduced. We therefore conceptualize legacies as *historical* rather than *constant* causes (Stinchcombe 1968). Constant causes operate year after year and produce relative continuity in their effects. An example of a constant cause is the high propensity to strike exhibited by workers in isolated export enclaves (Collier and Collier 1991). Historical causes, by contrast, shape an outcome at a particular point in time and establish a set of institutions that persist and reproduce themselves without the recurrence of the original cause.

For our purposes, then, legacies are generated in identifiable periods of time, and their reproduction or reconfiguration can be traced through constantly evolving economic, political, and social contexts (Thelen 1999; Pierson 2004). In other words, we believe that it is crucial to engage in process tracing in order to sketch out the causal mechanisms between what is to be explained and what is doing the explaining, and to demonstrate empirically the processes through which these legacies endure.

Moreover, in this volume we focus explicitly on *authoritarian legacies* rather than historical legacies per se. Scholarship on authoritarian legacies is a distinct subset of the legacies literature. The invocation of authoritarian legacies necessarily presumes that new democracies do not begin their lives with a clean slate—the authoritarian past continues to shape the democratic present. Actors from the authoritarian era, such as political parties, the military, and ruling oligarchies, often exert a lingering and powerful influence in new democracies (Payne 2000; Grzymala-Busse 2002; Robison and Hadiz 2004; Winters 2011). Scholars have also observed that institutional and ideological legacies limit the prospects for reform (Jowitt 1993; Stark and Bruszt 1998; Ekiert and Hanson 2003; Cesarini and Hite 2004), and that lingering atomization from the authoritarian period diminishes the influence of civil society actors (Howard 2003). Terms such as “hybrid regimes” and “illiberal democracy” reflect the perceived democratic deficits in new democracies that have often stemmed from authoritarian legacies (Zakaria 1997; Diamond 2002; Levitsky and Way 2002; Robertson 2011).

Implicit in the invocation of authoritarian legacies is the understanding that the institutional transformations that occurred after democratization were not simply created by powerful interests out of whole cloth, but rather that these actors’ strategies were crafted from a society’s available institutional and cultural material.⁷ These inherited features from the past interacted with features of the transition context to shape future political developments in new democracies.

In an extensive review of the literature on authoritarian legacies, Cesarini and Hite (2004) uncovered three common conceptualizations of authoritarian legacies: formal structures and institutions inherited from authoritarian regimes; the lingering power and influence of traditional/conservative groups; and cultural or psychological manifestations of authoritarianism. Authoritarian legacies, they argue, are aspects of the past that “survive democratic transitions and intervene in the quality and practice of post-authoritarian democracy” (Cesarini and Hite 2004, 4). Building on Cesarini and Hite, we define authoritarian legacies as *actors, formal institutions, informal practices, and cultural or ideological frameworks that newly democratic regimes inherit from authoritarian regimes and that shape politics in the democratic period.*

Of course all societies—whether authoritarian or democratic—are shaped by the past. We focus on authoritarian legacies rather than on all historical legacies affecting labor, however, because in the cases we examine—and indeed, in virtually all postauthoritarian societies—labor institutions were profoundly shaped by the authoritarian period. Authoritarian governments often deeply restructure labor relations. Lacking the legitimation mechanism of meaningful elections, authoritarian systems face unique challenges from subordinate social groups, especially labor, and typically seek distinct means to constrain labor, and sometimes to mobilize labor and seek legitimacy from it. Most notably, authoritarian regimes create institutions that give the state much greater discretionary authority to intervene in and shape labor relations. In addition, given that there are fewer checks on the state's use of force against its citizens, authoritarian regimes typically use a heavier dose of repression than democracies in disciplining unions.

Our emphasis on how authoritarian regimes shaped labor institutions departs to some extent from the *Colliers'* focus on initial incorporation. In many of the cases discussed in this volume, initial incorporation took place under authoritarianism. In Eastern Europe, for example, labor relations were forged during the mass industrialization under communism. In other cases, such as Chile and Indonesia, the authoritarian regimes led by General Augusto Pinochet and Suharto refounded labor institutions in ways that fundamentally transformed the institutions created during the initial incorporation. Although in most of these cases initial incorporation took place under the authoritarian regime that preceded the most recent democratization, in Argentina and Brazil initial incorporation occurred during authoritarian-populist regimes in the 1930s and 1940s. The founding labor institutions from this period largely survived later episodes of democratization and authoritarianism, and were then bequeathed to new democracies in the 1980s. The durability of authoritarian legacies in Argentina and Brazil raises the analytic question of how and why these legacies were reproduced across many decades and multiple regimes. In the Philippines, by contrast, initial incorporation occurred under democracy and President Ferdinand Marcos integrated many of these founding institutions into authoritarian-era labor practices. Rather than refounding institutions, he grafted other practices atop preexisting institutions. Here part of the analytic task entails reflecting on why Marcos retained these institutions and on how the changes that he introduced created a distinct set of institutions that were then passed on to the Corazon Aquino administration.

These variations among authoritarian regimes further reinforce a fundamental point of this volume: our use of authoritarian legacies as an analytic category is not an assertion that all authoritarian regimes are the same. The differences

among authoritarian regimes are crucial to how we theorize about the impact of authoritarian legacies on contemporary labor politics.

Theorizing the Impact of Authoritarian Legacies

Our approach to analyzing the impact of authoritarian legacies falls within the historical-institutionalist tradition. We conceptualize legacies as past institutional configurations that “constrain and refract,” but do not determine, subsequent outcomes (Steinmo, Thelen, and Longstreth 1992, 3). In our case, we focus on how actors, ideologies, and institutions with roots in a prior authoritarian period have a causal effect on outcomes under democracy despite the end of the regimes that created them. Legacies seldom persist as the mere dead weight of the past, however. As historical institutionalists have observed, institutions, once they are created, depend on mechanisms of reproduction, adaptation, or support from powerful actors, or all three, to be sustained (Thelen 1999). This is especially so for authoritarian legacies since, by definition, they are often transplanted into a starkly different environment from the authoritarian past in which they were previously sustained (Cesarini and Hite 2004).

If authoritarian legacies are not the mere dead weight of the past, how do they affect labor in new democracies? Perhaps paradoxically, analyzing the impact of legacies is an exercise in explicating political change. The analysis of how and why institutions change has become the primary focus of contemporary debates in historical institutionalism. Early work in this tradition often relied on punctuated equilibrium models whereby change (often the result of external shocks) happened in big bursts followed by long periods of stability (Thelen 1999; Streeck and Thelen 2005a). The critical juncture framework is perhaps the best-known example of a punctuated equilibrium model of change among comparative historical scholars (Collier and Collier 2002). Theoretically, critical junctures are branching points between path dependent processes; they are periods of rupture where contingency and uncertainty make dramatic political change possible (Capoccia and Kelemen 2007). During these “unsettled periods” old rules and practices are much more pliable than in settled periods, when institutional arrangements tend to harden (Swidler 1986). Once clear of the critical juncture, institutions “lock-in” and settle into a new path of relative stability (Thelen 2003; Pierson 2004). In this path-dependent perspective, legacies act like a lamp that illuminates some pathways while leaving others darkened, or a trail along which some walkways are steeper or more slippery and therefore less inviting than others. They are analogous to Weir’s (1992) notion of bounded innovation, where “decisions at one point in time restrict subsequent possibilities by sending policy

off onto particular tracks, along which ideas and interests develop and institutions and strategies adapt" (251).⁸

On the one hand, a critical juncture framework seems perfectly suited to our analytical task, since democratization often results from external shocks and produces dramatic change. The institutions forged during the transition—the critical juncture—could fundamentally transform what preceded it and set the institutions on a new path. In this model of change, authoritarian legacies take the form of antecedent conditions that interact with the transition context to crystallize into fundamentally distinct institutional configurations.⁹ In this volume, Marko Grdešić's chapter on the former Yugoslavia (chapter 5) comes the closest to this model of change. Here, the legacy of worker self-management interacted with the distinct economic and political environments in Croatia, Serbia, and Slovenia to produce dramatically different relations among unions, parties, and the state. In this case, similar legacies had different effects, depending on the context of the critical juncture.

The experience of other postcommunist countries can also be interpreted with a critical juncture framework. In this case, the shock of capitalist transformation and insertion into the global economy occurred at a moment when labor unions were generally distrusted and viewed—at times by labor activists themselves—as unneeded holdovers from the Communist era (Crowley 2004; Ost 2005, also chapter 4 in this volume). The result was a massive hemorrhaging of membership. Although the anticommunist legacy may have attenuated over time as unions and workers became acclimated to the new capitalist environment, in the meantime unions had become much smaller and weaker organizations. Thus, the anticommunist legacy combined with the transition to capitalism to cause both a dramatic decline in union membership and to create economies with relatively flexible labor markets that were dependent on foreign capital. Once this path is taken, unions can engage in new organizing, but they do so from a much lower base.

On the other hand, as much of the new work on institutional change has emphasized, exogenous shocks may also prompt less obvious, evolutionary changes that force institutions to adapt, innovate, or change in subtle ways (Thelen 2003; Steinmo 2010). Even in more settled periods, institutions are subject to renegotiation, to "drift" in their significance, to the "layering" of new institutions on old, and thus to "gradual transformation" (Streeck and Thelen 2005b; Mahoney and Thelen 2010). The result may be a hybridization, recombination, and bricolage of old and new (Campbell 1997; Stark and Bruszt 1998; Galvan and Sil 2007; Mrozowicki 2011).

The chapters in this volume contain many examples of reconfigured legacies produced through an interaction of the old and the new. One reason that these

reconfigurations occur is that institutional arrangements reflect distributions of resources and power, so actors fight to defend the inherited institutions that benefit them (Mahoney and Thelen 2010, 8). For instance, Adalberto Cardoso (chapter 8, this volume) relates that in Brazil even the more militant unions defended provisions of the labor code that they had once criticized, in recognition of their protective function during periods of economic and political uncertainty. In Argentina, Graciela Bensusán and Maria Lorena Cook (chapter 7, this volume) show that the Peronist legacy gave unions significant resources with which to defend their interests. Although governments in Argentina tried to weaken union resources during both democratization and the neoliberal reform period, by mobilizing their members and enlisting their historic allies in the Peronist party, unions ensured that important parts of this legacy survived. In this case, as in others in this volume, institutions not only constrain but also enable, providing strategic resources for actors in responding to new challenges and opportunities (Thelen 2003, 213).

In some cases, it is not so much labor but newly democratic governments that find utility in defending old institutions. In her chapter on the Philippines, Jane Hutchison (chapter 3) notes that the Marcos regime developed tripartite institutions of labor, employers, and the state as a mechanism for co-opting conservative unions and gaining international legitimacy. The Aquino and subsequent democratic administrations found these tripartite institutions to be useful as well, since their consensus style of decision making allowed for the sidelining of reformist demands from the left. So democratic governments retained and even expanded them. Many union leaders cooperated, since tripartism further entrenched their position as national representatives in a context where they had little connection to their members. Yet seemingly similar institutions have different consequences in distinct settings. In Indonesia, as Teri L. Caraway's chapter indicates (chapter 1), tripartite institutions from the Suharto era were transformed into institutions that activated rather than pacified labor. This example of institutional drift was made possible by the radical decentralization of the tripartite minimum-wage setting boards, which both allowed members to hold their local leaders accountable and for union leaders to mobilize their membership to pressure local governments to side with workers instead of employers.

Another form of evolutionary change is institutional layering, in which new institutions exist alongside the old. For example, in Indonesia and the Philippines, restrictions on strikes persisted alongside the various reforms that restored or strengthened collective rights. In the Philippines, Hutchison attributes the tight control over strikes to the desire of democratic governments to prevent mobilization by radical unions. At the same time, the co-optation of the conservative unions and their distance from members ensured that they would not

push too hard for further reforms. Caraway focuses less on why these restrictions remained in place in Indonesia and more on how they have channeled labor conflict into protests outside the workplace. In both cases, the evolution of labor law is shaped by legacies from authoritarian rule.

Legacies matter, then, for their ability to shape political pathways for years, sometimes decades, after the events that first give rise to them have passed. This does not necessarily mean that legacies survive unchanged. Although in some cases they may persist largely intact, legacies are more likely to interact with elements of new political contexts to produce novel configurations or to transform themselves gradually via evolutionary mechanisms of institutional change.¹⁰

Authoritarianism and Its Aftermath: Legacy Unions, Labor Law, and Ideology

In this volume we are specifically concerned with labor legacies: legacies that constrain and enable labor's capacity to mobilize and to advocate for its organizational interests and worker welfare. Since labor enters the newly democratic era from different starting points—in part as a consequence of authoritarian legacies—a crucial first step in demonstrating the effects of legacies on labor's fate in new democracies is to give some sense of how labor incorporation varied and why these variations matter.

As Collier and Collier (2002) argued, labor incorporation had profound consequences for the political trajectories of Latin American countries. We argue that the form of labor incorporation also affects the potential for the development of strong unions in new democracies. Authoritarian regimes—whether populist, conservative, or communist—provided an assortment of legal and institutional assets to state-backed unions as a means to both control and secure support from labor movements. Although incorporation involved placing some constraints on unions, states also commonly offered inducements to elicit labor's cooperation (Collier and Collier 1979). The balance of inducements and constraints varied dramatically from country to country. The mode of labor incorporation affected not only unionization rates but also labor law, links with political parties, organizational resources, the relationship between unions and members, the role of unions in the workplace, and the ability of unions to mobilize independently of the state and their partisan allies. These different regional models of incorporation can be described in the broadest terms as exclusionary corporatist (Asia), inclusionary corporatist (Latin America), and state paternalist (Eastern Europe).¹¹

In exclusionary forms of labor incorporation in noncommunist Asia, states aimed to demobilize unions. Ruling parties opposed high rates of unionization,

but they granted state-backed unions monopoly or near monopoly status. Even though virtually all unionized workers belonged to state-backed unions, these unions organized an insignificant share of the workforce (usually far less than 10 percent). The benefits that unions derived from state sponsorship were meager and usually consisted of modest financial subsidies and office space. Union officers were not deeply integrated into ruling party structures. In these countries, unions entered the democratic era as depoliticized and enfeebled organizations that had weak links to their membership base and were dependent on employers and the state.

In Communist countries, workers were incorporated into a system best described as state paternalist. State-backed unions enjoyed monopoly status, union membership was virtually universal, and unions functioned as “transmission belts” between Communist parties and workers (Pravda 1986; Thirkell, Petkov, and Vickerstaff 1998).¹² Unions were subordinate to the Communist Party, which controlled the economic as well as the political spheres in the near absence of a private sector, a capitalist class, and an independent civil society. Workers were meant to work for the good of society as well as their wages, and the state’s distributive mechanisms were to provide for their social needs. Unions were also central to social needs provision. Party sponsorship guaranteed unions with basic institutional support, such as buildings for office space and routine dues collection, and unions invested these funds in services of benefit to their members, such as summer camps, vacation facilities, and emergency credit. At the enterprise level, the primary tasks of unions were to motivate workers to fulfill the plan and to distribute valuable benefits and services to workers. Unions in postcommunist countries, therefore, entered the democratic era with extremely high density, but they were dependent on employers, had little experience mobilizing their members or engaging in collective bargaining, and had no history of independence from the ruling party.

In inclusionary corporatist systems found in Latin America, ties between ruling parties and unions were also close, but unions retained greater capacity to act independently. Ruling parties in inclusionary corporatist systems considered unions to be a supporting pillar of the regime, and the state both facilitated the growth of union membership and provided its union partners with significant institutional advantages over other unions. Unionization rates were lower than in state paternalist systems, but higher than in exclusionary models. Although unions rarely enjoyed a legal monopoly, labor laws favored established unions and permitted significant state intervention in labor relations, which states used to defend and discipline their union allies. The combination of labor-based parties and preferential treatment for unions allied with the dominant party, along with labor laws that allowed independent unions but favored established

and state-allied unions, are the defining features of the inclusionary corporatist model. Of the three illustrative models, unions in inclusionary corporatist systems entered the democratic era with the greatest mobilizational capacity. But they, too, depended on state-proffered benefits to maintain their membership base, which often resulted in weak ties to their membership. Laws favoring established unions also presented formidable challenges for new unions that sought to compete with state-backed unions. This model defines some of the largest and most industrialized Latin American countries—Mexico, Brazil, and Argentina—even if it does not represent all or even most countries in the region.

Variations in labor incorporation matter because their legacies shape the conditions under which unions enter the newly democratic terrain. In the remainder of this section, we focus on three specific legacies that are especially likely to affect labor in new democracies: the survival of former state-backed unions (legacy unions), labor law, and ideology.

Legacy Unions

Perhaps one of the most obvious legacies of authoritarianism is that state-backed unions did not merely vanish with the transition to democracy. Caraway (2008) coined the term “legacy union” to describe unions allied with the previous authoritarian regime that survive in the democratic era.¹³ Legacy unions are still the largest labor unions in almost every postcommunist country, as well as in Indonesia, Mexico, the Philippines, and Taiwan. Even in cases where independent unions have overtaken legacy unions, such as in South Korea and Poland, legacy unions are still one of the two largest unions in the country (Caraway 2012).

Although legacy unions share a number of common features—a dependence on the state and employers and weak links to members—there are also important differences among them. They vary in terms of the size of the membership they inherit, whether they enjoy a union monopoly, and the resources that regimes provide them. Inheriting legacy unions that organized a large proportion of the workforce would seem to be a positive thing for labor’s influence in new democracies. Yet legacy unions can negatively affect the strategic context in which unions that emerge after democratization struggle to gain members. The continued influence of legacy unions potentially impedes organizing efforts by new unions that might better represent worker interests.

Given their history of dependence on state backing, legacy unions often have both weak links to their members and minimal experience publicly advocating for them. Consequently, a large proportion of the organized workforce in new democracies belongs to unions that at best are conservative and inexperienced and at worst exploitative and corrupt.¹⁴ The extent to which legacy unions can be

a positive or a negative force for workers in new democracies depends on their capacity to transform themselves. The incentives to reform vary in part based on the transition context and on the extent of the unions' inherited advantages. Legacy unions often inherit an array of material resources that make it possible for them to survive without transforming themselves. In some cases, legacy unions also inherit significant legal advantages, the most important of which are labor law provisions that favor established unions and hence provide some protection from new challengers.

Despite these inherited advantages that could block reform, democratization also puts pressure on legacy unions to change.¹⁵ A greater degree of freedom of association brings with it not only competition from new unions for membership but also the chance for thwarted reformers inside legacy unions to defect and establish new unions. Labor laws and state authorities' close relationship with legacy unions could block the exit option, of course, but the symbiotic relationship between unions and the state was usually weakened or shattered when authoritarian regimes fell.

Such dynamics remind us that legacy unions, like legacies generally, do not persist by inertia but need to be reproduced. As Stephen Crowley shows in his chapter on Russia (chapter 6), powerful actors can refashion legacies to their advantage. Early in his presidency, Vladimir Putin pushed through labor reforms over the objections of Russia's independent unions by co-opting Russia's dominant legacy union. He secured its support for a more flexible labor code by exploiting that union's historical dependence on the state and by incorporating provisions into the new labor code that gave the union a virtual legal monopoly on workers' representation. Russia's legacy union thus survived by cultivating new political partners and fighting to gain new advantages in exchange for giving up some past prerogatives.

The survival of the legacy union in Indonesia demonstrates another pattern through which legacies shape the organizing terrain in new democracies. The cutoff of state sponsorship disrupts the primary feedback mechanism that sustains legacy unions. Such disruptions, in turn, create pressures for institutional evolution (Thelen 1999). To survive, Indonesia's legacy union needed to find new guarantors, as did the legacy union in Russia, or else transform itself so that it could compete in the new environment. Yet not only has the Indonesian union failed to develop a sustained relationship with power brokers, it has not enacted the internal reforms that would allow it to thrive without state sponsorship (due in part to inherited procedures for leadership selection that allow past leaders to thwart reform). The result has been disintegration (Caraway, this volume).

In other places legacy unions were not so toxic a legacy. In parts of Latin America, labor incorporation took place under inclusionary populist (albeit

authoritarian) regimes. These regimes were followed by periods of democratic and military rule, including right-wing authoritarian governments in the 1960s and 1970s. The authoritarian governments of this period did not sponsor legacy unions; they targeted unions and persecuted their members.¹⁶ Consequently, unions in Argentina and Brazil had a more antagonistic relationship with recent authoritarian regimes (see Bensúsán and Cook, and Cardoso, in this volume). In the former Yugoslavia, self-management created autonomous workplaces, making state-backed unions less central than in other Communist countries (Grdešić, this volume, chapter 5). David Ost (this volume, chapter 4) shows that Poland's legacy union was less imposing than in other parts of Eastern Europe because the state-backed union lost its monopoly in 1980, was dissolved in 1981, then resurrected later in the decade as a rival to the then-underground Solidarity union. It thus emerged from authoritarian rule as a much weaker but more independent organization. These variations in the nature of legacy unions affect how such unions navigate the newly democratic terrain as well as new unions' capacity to organize under democracy.

Labor Law

The system of labor law inherited from authoritarian regimes is another important legacy that shapes labor politics in new democracies. Democratization typically produces strong pressures to reform authoritarian-era labor codes that repressed collective labor rights (M. Cook 2007). Legally sanctioned union monopolies in exclusionary and state paternalist systems were often the first item on the chopping block. But in inclusionary systems where state-backed unions did not depend on monopoly status for their hegemony, aspects of the labor code that favored already established unions remained unchanged. These unreformed labor laws shaped the terrain on which unions organized during the transition and beyond. They could strengthen legacy unions that colluded with management, as they did in Mexico, by making it hard for challengers to displace legacy unions in the workplace. The laws could also provide unions with ample resources that would prove important in defending their members. Provisions of populist-era labor laws in Argentina that centralized collective bargaining, provided for its extension to nonunionized workers, and gave unions control over social welfare funds granted former state-backed unions market and organizational power that would be the envy of unions in much of the world (M. Cook 2007). The relative strength of Argentine unions today is due in part to the persistence of these labor laws.

Even where labor laws are significantly changed, the starting point for reform negotiations is usually the labor code inherited from the authoritarian regime.

The contours of labor law at the time of transition thus shape the battles to come, determining what some actors want to change and what others wish to keep. In Asia, the labor codes of many countries were both protective and repressive—they protected workers by strictly regulating individual labor contracts, but repressed collective labor mobilization (Koo 2000; Caraway 2004). After democratization, conservatives in countries with “protectively repressive” labor laws could not oppose the recognition of freedom of association for long, which proved to be an advantage for workers. Individual protections inherited from the authoritarian past also put workers in a stronger position during labor reform negotiations, since unions only needed to defend existing rights (and mobilize their members for this purpose), while employers (and perhaps the state) were put in the position of taking away those protections. Most authoritarian regimes also placed restrictions on the right to strike. In these cases, unions aimed to reduce strike limits while employers (and often the state) preferred to maintain them. The key point is that the battle of labor reform is fought on a strategic terrain determined in large part by labor laws inherited from the authoritarian past.

Ideology

Labor incorporation entailed not only the structuring of labor relations through law and state or party-union relations but also their legitimation through various ideologies. These systems of labor incorporation sometimes invited ideological backlash and resistance that redefined how citizens and workers viewed the role of unions in society, or else they generated radical views that questioned the subservience of workers to the state. Ideological legacies are therefore helpful in explaining how actors define and pursue their interests, both why actors do what they do and why they fail to do certain things. Following Swidler (1986), ideological legacies can also be viewed as part of a society’s cultural tool kit, materials to be fought over and to fight with, from which powerful actors might construct new institutional arrangements. These ideological legacies can be as sticky as more tangible organizational and legal legacies.¹⁷

In much of Eastern Europe, but particularly in Poland, an ideological backlash against unions grew out of the “workers’ states.” Moreover, the task of the post-communist transformations was not simply to transition from authoritarianism to democracy, as challenging as that is, but also from communism to capitalism, a transition that Polish workers themselves were instrumental in bringing about. The problem for workers there was not just a “communist legacy” but also an “anticommunist legacy” that led both workers and many union leaders to doubt the relevance of unions in a capitalist democracy (Crowley and Ost 2001; Ost 2005). The dilemma, then, was not only institutional but also ideational. The

traditional political orientations of Left and Right made little sense, and neither did the questions of what political alliances unions should seek or what sort of alternatives they should strive for. In the former Yugoslavia, a rather different legacy of self-management, one that was perceived as more legitimate, provided unions with a more advantageous tool kit that they could use to defend their position during democratic transitions. In Russia, even when Communist-era policies were discredited at the macro level, workplace norms about the responsibilities of a firm to its workers—the “moral legacy of an ‘immoral economy’”—gave workers a moral foundation on which to contest privatization (Sil 2001).

Understandings of the past can also shape how actors define realistic or desirable goals and allies. The legacy of fear inspired by harsh authoritarian regimes and the strength of the outgoing authoritarian coalition may make democratic actors more willing to compromise on their agenda for fear that pushing too hard could jeopardize the democratic transition (Haagh 2002). In his chapter on Chile, Volker Frank (chapter 9) demonstrates how ideological legacies kept the democratic Concertación government from enacting prolabor policies and legal reforms during the crucial initial transition period, despite its alliance with unions. Ost’s chapter makes a similar argument about Solidarity in Poland. These failures to act have enduring consequences, since in these cases labor’s best opportunity for shaping institutions—during the critical juncture—was lost.

Ideological legacies can shape the availability of labor’s coalition partners as well. In the Philippines, the rise of a powerful Communist Party during the 1980s simultaneously divided progressive forces, impairing their capacity to push for change, and unified political elites in opposing deeper reforms (Hutchison, this volume). In both Korea and Indonesia, the virulent anticommunism under authoritarianism eradicated organized traces of the Left and delegitimized leftist ideas. The absence of Left parties, in turn, limited the potential coalition partners for labor. In Indonesia, unions also internalized the Suharto regime’s labor-relations philosophy, which posited that unions should not be involved in politics.

But ideological legacies can also be empowering, as Yoonkyung Lee demonstrates in her discussion of Korean and Taiwanese unions (chapter 2). The Korean Confederation of Trade Union’s (KCTU) militancy and lack of leftist political allies led it to reject collaboration with nonprogrammatic parties. The KCTU formed an independent labor party instead, despite an unfavorable electoral system that made it tough to win seats. After persuading the Constitutional Court of the unconstitutionality of the electoral system, the KCTU’s labor party eventually gained a prominent place in Korea’s legislature. By contrast, the legacy of mutual trust between parties and unions in Taiwan led both the legacy union and the

largest independent union to continue to collaborate with their partisan allies. As a result, Taiwanese unions felt no need to establish an independent labor party.

This discussion of labor incorporation under authoritarian rule provides a rough map of the distinctions among countries, both within and across regions. The chapters in this volume further reveal important differences within these three forms of labor incorporation as well as interesting similarities across forms of incorporation. The key analytic point is that differences in labor incorporation under authoritarianism generate variations in labor legacies. These are inherited by labor in new democracies, producing distinct starting points from which unions navigate the new democratic political terrain. In creating its future, then, labor must work through the past.

Conclusion: Legacies as Assets and Liabilities

The key argument of this volume is that authoritarian-era legacies matter for labor in new democracies. Whereas most analyses of authoritarian legacies tend to assume that these act primarily as constraints, one of our central findings is that legacies can function as both assets and liabilities. Rather than summarize the chapters in this volume, here we highlight their insights on how legacies empower or constrain workers in new democracies. Taken together, the chapters reveal the multiple ways that authoritarian-era legacies provide or limit resources, aid or constrain key social actors, and interact with democratic and market transition contexts. Within particular regional or subregional contexts that shared similar modes of labor incorporation, the analyses show how differences in legacies and in transition contexts had profound consequences for how workers and unions fared in new democracies.

Teri Caraway's chapter on Indonesia analyzes why organizationally weak unions that play a marginal role in formal politics have been remarkably effective in securing collective gains through mass mobilization. Caraway traces labor's organizational weakness to the legacy of exclusionary corporatism that bequeathed Indonesia with low levels of unionization and conservative legacy organizations resistant to reform. In formal politics, the eradication of the Left under Suharto and the continued domination of the major political parties by Suharto-era elites limited the supply of viable partisan partners for unions after democratization. Legacies of economic unionism also led most unions to reject forming partisan alliances. Despite these unfavorable organizational and political legacies, however, other legacies have empowered labor. The survival of weak protections for the right to strike and the powerful tradition of wildcat protests pushed unions

in the direction of relying primarily on demonstrations rather than collective bargaining to achieve collective goals. Tripartite institutions—also a legacy of the Suharto era—unified Indonesia’s fragmented unions behind collective goals. These two legacies facilitated the unification of workers in the large demonstrations that were critical to labor’s victories.

Yoonkyung Lee’s chapter comparing South Korea and Taiwan outlines how authoritarian legacies simultaneously enable and constrain labor in new democracies in counterintuitive ways. She grapples with the important question of why unions adopt distinct political strategies in new democracies. Lee shows that the legacy of party-union links under authoritarian rule explains why unions in South Korea and Taiwan, despite many similarities, followed distinct paths of political representation after the transition to democracy. Paradoxically, the more extreme exclusion of labor under authoritarian rule in South Korea turned out to be an asset that opened new political possibilities for labor after the transition to democracy, propelling the KCTU to establish a labor party rather than to seek accommodation with existing parties. In Taiwan, by contrast, unions followed the path of least resistance by maintaining ties to parties that were established under authoritarian rule. Although it would be erroneous to call Taiwan’s legacy a liability, since having partisan allies can also be an asset, the KCTU’s direct access to the legislature without the mediation of nonlabor parties provided it with a stronger independent voice in national politics.

Jane Hutchison’s chapter offers a gloomier picture in which legacies have constrained rather than empowered workers. Despite almost thirty years of democracy, unions in the Philippines are perhaps weaker now than they were after the fall of Marcos. Hutchison traces labor’s predicament to the layering of preauthoritarian and authoritarian legacies. The Marcos regime left important elements of preexisting labor-relations institutions in place—most importantly, enterprise unionism and highly fragmented federations with tenuous links to their members. Unions therefore emerged from authoritarian rule organizationally weak. In addition, the emergence of leftist labor organizations during the Marcos period both exacerbated interunion divisions and laid the foundation for a radical flanking move by the newly democratic government, undercutting the leftist labor organizations by incorporating conservative labor leaders into tripartite institutions. At the same time, preauthoritarian legacies of decentralized violence and authoritarian legacies of direct police and military repression of nonviolent political organizing created an extremely dangerous context for independent labor organizers who might challenge the conservative unions and advocate more strongly for worker interests.

In his chapter on Poland, David Ost makes clear that to categorize unions in postcommunist societies as either leftist or conservative is often misleading. The

Communist system in Poland generated the spontaneous rise of Solidarity, arguably the strongest workers' movement in history. Yet while workers were central to bringing down the old regime, unions found themselves considerably hampered by its legacies. The ideological valorization of labor under communism produced ironic results for workers in postcommunist Poland, since, according to Ost, "the ideological legacy consisted in the collapse of support for the very idea of organized labor or trade unions." Solidarity retained significant symbolic clout and was nominally in control of the government for a time, but it pushed neoliberal policies that directly threatened workers. Thus for Ost the ideological legacy is crucial. In Poland this was largely an anticommunist reaction to the previous regime, although this ideology grew out of specific institutional and structural arrangements from the past. Significantly, Polish workers did not seek simply to replace dictatorship with democracy. In the hope of living better they also sought to replace communism with capitalism, inadvertently deepening their subordinate status as a result. Given Solidarity's key role in this process, Ost finds, paradoxically, that it initially behaved more like a "legacy union" than the Communist-created National Association of Trade Unions (OPZZ), which had to struggle against its rival to claim legitimacy.

Marko Grdešić's chapter affirms that there is no single "communist legacy," but that a single labor legacy—in this case, Yugoslav self-management—can either enable or constrain depending on the political and economic environment in which it is planted. In Slovenia that legacy, when combined with favorable economic and political conditions, allowed for the transformation of the institutions of self-management into a unique postcommunist neocorporatism. Meanwhile, in increasingly nationalistic Croatia and Serbia, that same legacy was converted from an asset for labor into a liability, as unions and institutions of self-management came to be seen as holdovers from the old regime. The legacy of self-management spurred labor mobilization in all three cases, but with crucial differences in timing: in Slovenia labor mobilized during the critical juncture of the postcommunist transformation in order to forge privatization policies and other institutions that favored workers, whereas in Croatia and Serbia those mobilizations followed in the wake of nationalist wars and were rearguard attempts to confront what workers perceived as the corrupt results of past privatizations.

In Russia, which had neither the potentially favorable experience of Yugoslav self-management nor the profound anticommunism of Poland, the constraints left by the Communist labor legacy are nevertheless distinctly visible, as the chapter by Stephen Crowley confirms. There, in collaboration with the Russian state, Russia's legacy union continues to dominate. However, rather than acting as a constant presence or one that fades over time, the legacy union, after losing official favor with President Boris Yeltsin, was given renewed prominence under

Putin, a process that coincided with Putin's considerable restrictions on civil society and democracy. Putin co-opted the legacy union at the expense of smaller alternative unions in order to contain labor protest. In so doing, he provided very few institutional channels through which workers might express their grievances, which instead occasionally erupt in the form of "extreme measures." This problem is compounded by another legacy affecting labor, namely, the tenuous fate of Russia's many one-industry towns or *monogorods* built in the Soviet era. Long starved of investment, a number of these industries (along with their towns) are teetering on bankruptcy. Here legacies constrain labor action, but at the cost of allowing grievances to fester.

Turning to Latin America, Graciela Bensusán and Maria Lorena Cook examine Argentina and Mexico, two countries that follow very different trajectories despite similar legacies that originate with labor incorporation under inclusionary state-corporatist regimes. The authors focus on legal and institutional legacies and on the divergent ways in which institutional differences shape unions' contexts and opportunities, leading to greater constraints on Mexican unions than on those in Argentina. The comparison reveals that despite broad similarities (state oversight, dominant unions, labor-based parties, limits on new unions), differences in legal and institutional design confer more power to employers in Mexico than in Argentina, a power held in check until economic liberalization. For instance, in Mexico a critical feature of institutional design allows employers to "choose" their bargaining counterpart, thus ensuring subordination to the wages, working conditions, and forms of collective representation set by the employer. In contrast, the lack of a similar feature in Argentina facilitates the greater autonomy of unions vis-à-vis employers. Bensusán and Cook show how these legacies enabled Argentine unions to recover after neoliberalism, yet continued to exclude competitors to dominant unions, while Mexican unions overall continued to erode after neoliberal and democratic transitions.

In Brazil, labor legacies facilitated periods of state control and labor movement division, yet they also enabled militant unionists to operate—indeed, to flourish—within the prevailing legal and institutional structure. Adalberto Cardoso focuses on legal legacies and explains why the labor code that originated in the state-corporatist era under President Getúlio Vargas in the 1930s and 1940s has proven remarkably resilient. Vargas's initial incorporation of labor through the legal structure resonated with individual workers' aspirations and bound workers to the capitalist project that Vargas was trying to create. This legal structure would survive challenges by both military regimes and by reformers associated with the "new unionism" that emerged in the 1970s and 1980s. Indeed, reformers managed to occupy key positions within the labor structure

during the dictatorship. Although Brazil's legal legacies fostered divisions in the labor movement and enabled the state to exercise control, they also commanded the adherence of workers via the promise of inclusion. This aspiration to inclusion came from laws that guaranteed (on paper, at least) formal-sector workers a range of social benefits. Even the more militant unions that emerged in the 1970s and 1980s and were initially critical of the legally sanctioned subsidies to unions (because of their tendency to reinforce union bureaucracies that were out of touch with rank-and-file needs) ended up defending the labor code, seeing in it elements that guaranteed protection to unions during periods when they were most vulnerable.

In Chile, authoritarian-era labor legacies served to constrain unions during and after the democratic transition. Compared with the other Latin American cases represented here, the origins of Chile's authoritarian legacies are also more recent in memory, especially as they relate to labor law. Volker Frank focuses on the legacies of authoritarian-era labor laws and the reluctance of new democratic governments to change these during the transition. This resistance to reform reflects the lingering presence of powerful ideologies from the dictatorship of Augusto Pinochet (1973–90) that continued to inform the new democratic governments. Frank's chapter illustrates how these ideological legacies—reflected in a commitment to maintaining market economic reforms and weak unions—helped to reproduce the legal constraints on workers' collective interests and actions that originated under the dictatorship. Chilean unions, already weakened by the political repression and market reforms of the military regime, were unable to persuade their party allies to reverse important constraints on union formation, collective bargaining, and strikes. In this case, and in contrast to Brazil or Argentina, labor legacies offer little to protect workers or buttress unions in democracy.

Finally, two chapters consider the comparative implications of authoritarian legacies. In the first of these, Mary E. Gallagher (chapter 10) analyzes the evolution of labor-state relations in authoritarian China. She shows that even under a Communist authoritarian regime, transformations in labor relations take place. China has undergone a market transition without a political transition, which sets it apart from the other Communist cases in this volume, where these transitions happened simultaneously. Gallagher reflects not only on how market liberalization has unsettled Maoist-era labor institutions but also on how it might affect the authoritarian legacies that China would inherit if it were to democratize.

The conclusion, by Ruth Berins Collier and Andrés Schipani, reflects on the volume's contributions and offers a comparative assessment of the impact of authoritarian legacies on labor in new democracies. Collier and Schipani highlight

the dual nature of authoritarian legacies, which empower labor under some conditions and weaken it under others. In particular, they point to tensions between democracy and authoritarian legacies that strengthen unions. The chapter also outlines processes of continuity and change across the cases and regions, noting that change is most dramatic in the Eastern European cases and least dramatic in the Latin American cases. Their chapter sets out a path for future research.

STRENGTH AMID WEAKNESS**Legacies of Labor in Post-Suharto Indonesia***Teri L. Caraway*

In Indonesia, the annual minimum wage negotiations give unions the opportunity to end the year with a bang. Every year, unions flex their muscles in hopes of winning significant wage increases. The negotiations in 2011 were especially raucous, with unions mounting massive demonstrations in several major industrial cities in Indonesia. On the island of Batam, thousands of workers calling for higher wages clashed with police. In the cities of Bekasi and Tangerang, tens of thousands of workers shut down industrial zones and blocked toll roads to demand the implementation of negotiated wage increases. In the capital city, Jakarta, the mere threat of a citywide strike was enough to cause the mayor to revise the minimum wage upward, over the objection of employers. The newspapers hailed—and often lamented—a new era of labor militancy.

The mobilizational effectiveness of Indonesia's unions is surprising. By conventional measures of labor strength, Indonesia's unions are feeble. Scattered across dozens of competing federations and thousands of unaffiliated enterprise unions, they organize only about 3 percent of the total work force. Union membership has declined since the early transition years as a consequence of shifts in employment, the increased flexibilization of the workforce, and union busting.¹ In the political arena, the major political parties have not built institutionalized links to labor, and union efforts to engage political parties have yielded meager results. But Indonesian unions have developed an impressive mobilizational capacity that has allowed them to secure among the strongest legal protections for workers in the region, to block efforts to pass more flexible labor laws, and to