WITH A LITTLE HELP FROM MY FRIENDS
Partisan Politics, Transnational Alliances, and Labor Rights in Latin America

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Why did Latin American governments adopt potentially costly, union-friendly labor reforms in the cost-sensitive 1980s and 1990s? The authors answer the question by exploring the relationship between trade unions and two of their most important allies: labor-backed parties at home and labor rights activists overseas. While labor-backed parties in Latin America have locked in the support of their core constituencies by adopting relatively union-friendly labor laws in an otherwise uncertain political and economic environment, labor rights activists in the United States have demonstrated their support for their Latin American allies by asking the U.S. government to treat the protection of labor rights as the price of access to the U.S. market. The former trajectory is the norm in traditionally labor-mobilizing polities, where industrialization encouraged the growth of labor-backed parties in the postwar era; the latter is more common in more labor-repressive environments, where vulnerable unions tend to look for allies overseas.

Keywords: *labor rights; trade unions; partisanship; transnational social movements; Latin America*

This article departs from a puzzling feature of Latin America's recent free market economic reform process. Although free market reforms are expected to include, encourage, or necessitate the deregulation of formal sec-

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tor labor markets, the region's official labor codes have grown more favorable to organized labor with the passage of time. In fact, 13 of the 18 collective labor reforms approved in Latin America between 1985 and 1998 have enhanced rather than undercut labor's ability to organize and bargain collectively.[1]

Of course, the labor code is neither the sole determinant nor the best indicator of organized labor's political and economic fate. Labor laws are frequently ignored, arbitrarily enforced, or simply overwhelmed in their impact by broader social and economic trends. But they are nonetheless "important," write Ruth Berins Collier and David Collier (1979), for they provide "a highly visible and concrete policy statement around which political battles are fought, won, and lost, and around which political support is attracted, granted, and withheld" (p. 971; see also Wiarda, 1978).

What, then, accounts for the seemingly paradoxical growth of collective labor rights in Latin America in the 1990s? We provide a political answer to the economic puzzle by exploring the relationship between Latin American trade unions and two of their most important political allies: labor-backed political parties at home and labor and human rights activists overseas. On one hand, we hold that traditionally labor-backed parties have ensured the ongoing support of their core constituencies—unions and their members—by adopting increasingly union-friendly collective labor laws in an otherwise uncertain political and economic environment. On the other hand, we hold that trade unions and human rights activists in the United States have demonstrated their support for their Latin American allies by asking the United States Trade Representative to treat the protection of collective labor rights as the price of access to the U.S. market. The former trajectory is the norm in traditionally labor-mobilizing countries, where import-substituting industrialization encouraged the growth and consolidation of labor unions and labor-backed parties in the immediate postwar era. By way of contrast, the latter is

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1. Data on labor reforms have been collected from the International Labor Office's Natlex database and the International Labor Organization's study of labor reforms in Latin America (Vega Ruiz, 2001). Reformed labor codes have been compared to their predecessors and coded by the authors. We have excluded changes in labor regulations, which have occurred either by constitutional reform or by presidential decree for three reasons: first, they are apparently less common than legislative reforms; second, they follow a different political logic; and third, they pose nearly insurmountable problems of missing data.

more common in traditionally labor-repressive environments, where more vulnerable trade unions and their members have been forced to appeal not only to their representatives in the legislature but to human and labor rights activists overseas as well.

In fact, the study of collective labor law suggests that economic reform and international integration are not only compatible with the adoption of union-friendly labor legislation at the national level, contra the conventional wisdom, but also tend to transform—rather than undermine—the institutional legacies of labor's political incorporation during the prior era of inward-oriented industrialization (Collier & Collier, 1979, 1991). After all, they leave historically labor-backed parties vulnerable to charges of disloyalty or betrayal and thereby offer their traditional allies in the labor movement influence over policies—such as labor reform—with concentrated benefits and diffuse costs. And they leave traditionally labor-repressive governments vulnerable to the trade sanctions authorized by the U.S. Trade and Tariff Act of 1984 and thereby offer their traditional enemies in the labor movement an unprecedented weapon of their own. Thus the process of globalization has the unexpected—and ultimately path dependent—consequence of granting trade unions influence over labor law in traditionally labor-repressive environments without undermining their influence over labor law in traditionally labor-mobilizing environments.

We have divided this article into five principal sections. First, we discuss the unanticipated growth of union-friendly collective labor law in Latin America in the 1980s and 1990s. Second, we present a historically sensitive theory of union-friendly reform that underscores the distinct, path dependent legacies of labor-mobilizing and labor-repressive political systems. Third, we introduce our quantitative modeling strategy, discuss our principal sources of data, and use a series of proportional hazard models to compare the political and economic sources of labor reform in Latin America between 1985 and 1998. Fourth, we use comparative case studies of labor reform in Argentina and the Dominican Republic to unpack and underscore the different causal mechanisms underlying our statistical results. And finally, we discuss our findings and their implications not only for labor politics but also for debates over globalization and institutional convergence more generally.

I. LABOR RIGHTS AND ECONOMIC REFORM IN LATIN AMERICA

The late 20th century is frequently portrayed as a watershed for organized labor in Latin America. The acceleration of capital mobility, the globalization of production, and the integration of markets for goods and services conspired to undercut the regulatory authority of governments around the world, especially in the capital scarce countries of the developing world (Mosley, 2003). Their effects were particularly pronounced in Latin America, where the regional recession engendered by the debt crisis of the early 1980s had already circumscribed state capacity and encouraged governments of all political stripes to adopt a market-oriented economic model by the late 1980s and 1990s.[2]

The free market reforms undertaken by Latin American governments have arguably enervated organized labor. Unions and their members have been forced to confront growing private sector hostility, declining political influence, and widespread job loss among their members and potential members in the urban formal sector. And the power of organized labor is therefore believed to have waned in almost every country in Latin America (Weeks, 1999).

The political symptoms of decline are not entirely self-evident, however, for the region's labor laws—unlike laws governing trade, investment, tax administration, and the like—have been largely invulnerable to the recent onslaught of free market economic reform.[3] What, exactly, is the state of labor law in Latin America? Labor laws are readily divided into their individual components, which govern employment contracts, working conditions, and compensation, and their collective components, which govern organizing activity, collective bargaining, and strikes.[4] Although individual labor laws have indeed been liberalized, albeit gradually, since the onset of the debt crisis, their collective counterparts have, if anything, grown more favorable to organized labor (Murillo, in press). That is, whereas reforms to individual labor law have for the most part been deregulatory and have therefore conformed to the overall regional trend, reforms to collective labor law have for the most part been union friendly and have therefore proved puzzling.[5]

2. Lora (2001) provides a measure of liberalization across different policy arenas. He and Stallings and Peres (2000) show that reforms are unidirectional even when there is variation in their timing and pace.

3. Although Latin American governments have "adopted more trade and financial liberalization policies and more privatizations in a short period than the East Asian countries did in three decades," their efforts to reform their individual labor laws, according to economist Eduardo Lora (2001) of the Inter-American Development Bank, "have been few and smaller in scope" (p. 17).

4. By way of analogy, the United States governs individual labor law through the Fair Labor Standards Act of 1938 and collective labor law through the National Labor Relations Act of 1935.

5. We classify national labor laws relative to their predecessors rather than a universal baseline. A "union-friendly" reform is therefore more favorable to organizing, collective bargaining, and strikes than the law it amends, replaces, or supercedes; it is not necessarily union friendly in an absolute sense.

Table 1
Reforms to Collective Labor Law in Latin America, 1985 to 1998

Union-Friendly Collective Labor Law		Union-Averse Collective Labor Law	
Country	President and Reform Year	Country	President and Reform Year
Argentina	Menem (1998)	Argentina	Menem (1995)
Chile	Aylwin (1990)	Ecuador	Borja (1991)
Chile	Aylwin (1994)	Guatemala	Arzú (1995)
Colombia	Gaviria (1990)	Nicaragua	Chamorro (1990)
Costa Rica	Calderón Fournier (1993)	Peru	Fujimori (1991)
Dominican Republic	Balaguer (1992)		
El Salvador	Calderón Sol (1994)		
Guatemala	Serrano Elías (1992)		
Nicaragua	Ortega (1990)		
Nicaragua	Chamorro (1996)		
Panama	Pérez Balladares (1995)		
Paraguay	Wasmosy (1993)		
Venezuela	Pérez (1990)		
Total	13		5

Source: Elaborated by the authors (see Note 1).

According to data collected from the International Labor Organization, more than two thirds of the 18 collective labor law reforms passed in the period between 1985 and 1998 have increased organized labor's ability to organize and bargain collectively (see Table 1).

Organized labor's interest in collective labor law is not surprising. Labor unions under pressure are likely to prioritize collective labor law for at least two reasons. First, unions in crisis tend to place their own survival above all other considerations (Golden, 1997; Murillo, 1997), and a favorable collective labor code is not only a source of income and bargaining power but also essential to the survival of organized labor per se. And second, unions in crisis tend to prioritize policies that have the largest impact on their members (Madrid, 2003), and the gains from collective labor law—and not, it is worth noting, the gains from individual labor law—are concentrated almost exclusively on organized workers.

Although organized labor's interest in union-friendly reform is more or less obvious, the legislature's willingness to enact union-friendly reform is surprising for at least three interrelated reasons. First, the neoclassical economic ideas popular among Latin American technocrats and the international financial institutions during the 1980s and 1990s (Teichman, 2001) fostered an inauspicious environment for organized labor. According to

Richard Freeman (1993), neoclassical economists tend to view "unions in developing countries as Peronist-style organizations that reduce efficiency at the enterprise level and produce populist inflationary macro strategies" (pp. 404-405). Second, trade liberalization and market opening placed pressure on labor costs, imposed the need for greater efficiency, and encouraged the rapid reallocation of resources toward comparatively advantaged sectors and enterprises. In turn, the cost and mobility of labor would appear to be affected by labor regulations and trade unions (Forteza & Rama, 2000; Seddon & Wacziarg, 2001). Finally, the process of market reform—especially privatization and trade liberalization—provoked widespread layoffs in the labor movement's traditional public and urban formal sector strongholds (Berry, 1997; Weeks, 1999).[6] As the labor vote dwindles in size, however, it also tends to diminish in significance, and new constituencies have therefore become crucial—even for popularly based governments (Burgess & Levitsky, 2003).

In short, the nature of Latin America's collective labor laws would appear to constitute a puzzling feature of the region's recent political and economic history, for free market reform programs are generally expected to include or generate pressures to foster the deregulation of collective labor law and the weakening of labor unions rather than the promotion of union-friendly legislation. Nor are the reforms merely cosmetic. Although analysts part company with regard to the degree and nature of labor law enforcement in the developing world, a growing body of empirical literature suggests that national labor codes do in fact have teeth (Busse, 2002). For example, Forteza and Rama (2000) trace variation in the pace and scope of economic adjustment to the nature of the collective labor code in a large sample of developing countries. They argue that labor organization—which is itself affected by collective labor law—constitutes an indicator of labor market rigidity and has a strong effect on economic performance following market liberalization.

Thus the widespread adoption of union-friendly labor reform in the otherwise cost-sensitive 1980s and 1990s constitutes a puzzle in need of an explanation. We hope to provide an explanation by synthesizing two distinct literatures—the literature on Latin American corporatism and the literature on transnational social movements—in the next section. Although union-friendly labor reforms are engendered by partisan alliances of unions and

6. According to the International Labour Organisation (1999), the public sector share of urban formal sector employment in Latin America declined from 15.8% to 13% between 1990 and 1998. Meanwhile, the informal sector's share of urban employment increased from 44.4% to 48%. Workers in the formal sector are disproportionately likely to be unionized, whereas workers in the informal sector and the unemployed are likely to form clientelistic networks based on territorial identities.

their party allies in traditionally labor-mobilizing, or corporatist, contexts, they are produced by transnational alliances of local trade unions and foreign labor and human rights activists in traditionally labor-repressive, or patrimonial, environments.

II. LABOR-MOBILIZATION LEGACIES AND LABOR REFORM STRATEGIES

Why would the majority of Latin America's governments adopt costly labor market reforms in the cost-sensitive 1990s? Unfortunately, the answer is anything but obvious, for the existing literature presupposes a Western European norm of encompassing unions and social democratic parties and, therefore, tends to belittle the influence of Latin America's admittedly distinctive labor movements (see Roberts, 2002, pp. 8-9). Although labor-backed parties in Latin America have frequently been forced to appeal to middle-class and elite elements as well as workers in the urban formal sector, and have therefore been more heterogeneous than their Western European counterparts, they have almost invariably counted workers as their principal electoral constituents and have therefore traded broadly favorable labor laws for continued working-class loyalty. In fact, Collier and Collier (1979, 1991) hold that labor-linked parties have traditionally purchased working-class electoral support with legal "subsidies" for the organization of workers and that collective labor rights have therefore been central not only to Latin America's industrial relations regimes but also to the region's party systems more generally.

A corporatist perspective on Latin American party systems and policy history is not necessarily inappropriate, at least insofar as it applies to traditionally labor-mobilizing party systems in countries such as Argentina, Brazil, Mexico, and Venezuela. But Kenneth Roberts (2002) holds that Latin America's traditional corporatist alliances have been undermined by neoliberalism and that policy convergence is therefore the order of the day. "Under the new economic model," Roberts writes, "states are less inclined to mediate between capital and labor, and labor lacks the political resources to compel extra-market forms of regulation" (p. 27).

Who, then, is responsible for the growth of union-friendly labor law in Latin America? A number of analysts have traced the reforms to the growth of pressure from trade unions and human rights activists in the United States (Elliott, 1998; Frundt, 1998). After all, the U.S. Trade and Tariff Act of 1984 not only forces recipients of "most favored nation" access to the U.S. market to take steps toward the defense of core labor standards (i.e., freedom of association, the rights to negotiation and collective bargaining, limits on child or slave labor, and the right to humane working conditions) but also allows interested parties such as labor unions and human rights organizations to ask the United States Trade Representative to review their records, evaluate their laws, and eventually even withdraw their access to the U.S. Generalized System of Preferences (GSP) for noncompliance. Consequently, Keith Maskus (1997) portrays the United States as “the most active nation in working to link observance of ‘internationally recognized workers’ rights’ to trade agreements” (p. 63).

Nevertheless, the results of the U.S. efforts are at best unclear. Although North American pressure has been brought to bear in a number of prominent Latin American cases, and has therefore been identified as a key correlate of labor reform in the 1990s, it is unlikely to constitute the whole story, for reforms have not only occurred in the absence of U.S. pressure in countries such as Argentina, Chile, and Venezuela but more important, pressures have occurred in the absence of reform in a number of other countries as well. In fact, Henry Frundt (1998) maintains that “an effective GSP petition must engage the workers of a particular country” and notes that “U.S. reviews that did not have strong union support, as in Peru and Colombia, brought weak results” (p. 254).

What, then, accounts for cross-national and historical variation in the degree of receptivity to U.S. efforts? According to Mark Anner (2002), the answer is likely to be found in the legacy of the preexisting industrial relations and party system:

> That is, in states with weak labor law and/or enforcement mechanisms, labor will be more inclined to pursue transnational relations, whereas in states where respect for labor rights has historically been stronger, labor will be more inclined to respond to international economic integration by relying on state structures to resolve their demands. (p. 6)

Anner substantiates his claims with comparative data drawn from Argentina and Brazil, where labor relations institutions are relatively favorable, and El Salvador and Honduras, where they are not. In so doing, he self-consciously emulates the work of Margaret Keck and Kathryn Sikkink (1998), who hold that nongovernmental organizations and activists who are unable to redress their grievances at home tend to look for “international allies to try to bring pressure on their states from outside” (p. 12).[7]

7. Anner (2002) supplements Keck and Sikkink’s (1998) analysis of “transnational advocacy networks” composed of activists who are united by “shared values, a common discourse, and dense exchange of information and services” (Anner, 2002, p. 2) with an analysis of “trans-

In fact, Anner's (2002) findings are broadly compatible with a substantial and growing body of literature that suggests that trade unions tend to confront globalization by drawing on—rather than simply abandoning—the legacies of preexisting institutions and alliances (see, e.g., Burgess, 1999; Levitsky & Way, 1998; Murillo, 2001). They do not, however, gainsay Roberts's (2002) sense that traditionally labor-backed parties have abandoned their working-class constituencies in the era of free market reform.

Why would traditionally labor-backed parties continue to solicit the support of an increasingly debilitated union movement? A simple but attractive answer derives from the costs and benefits of collective labor rights. The costs, after all, are relatively diffuse. They are distributed across employers, consumers, and taxpayers, and only the former tend to be organized. The benefits, on the other hand, are concentrated. They redound to the benefit of workers in the urban formal sector who are easily informed and identified. Thus collective labor reforms offer labor-backed parties a relatively low-cost, high-return means to lock in the support of their traditional constituencies in a time of growing electoral uncertainty.

In short, the process of globalization has altered the costs and benefits of union-friendly labor reform in distinct ways in different types of Latin American political economy. Although integration and trade have increased the *political returns to reform* in labor-mobilizing political economies, where labor-backed parties need to fend off charges of betrayal and lock in the support of their core constituencies, they have increased the *material costs of nonreform* in labor-repressive environments, where neither governments nor their constituents can afford the threat of trade sanctions. Therefore the contemporary literature is compatible with two different accounts of the growth of union-friendly labor law in the 1980s and 1990s: The first underscores the persistence of traditional alliances between labor-backed political parties and their associates in the labor movement; the second explores the emergence of new alliances between the Latin American unions and their supporters overseas. The two scenarios are in no way incompatible, however, and it seems perfectly plausible that different paths have been followed in different countries—a hypothesis which we investigate in the next two sections.

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national labor networks" composed of workers who are united by shared economic interests and in many cases, common employers (Anner, 2002, p. 7). Thus he suggests transnational labor rights activists are motivated by instrumental as well as normative considerations. A third possible motivation is protectionist. But the bulk of empirical evidence suggests that protectionist motivations for labor rights activism are not the norm (see, e.g., Elliott, 1998; Harvey, n.d.). The vast majority of petitions filed under the U.S. Generalized System of Preferences have concerned small countries that offer little threat to American workers and as Frundt (1998) notes, successful petitions generally require cooperation from—rather than conflict with—workers overseas.

III. QUANTITATIVE DATA ANALYSIS

We account for the timing and character of labor law reform in late–20th-century Latin America by modeling the correlates of union-friendly labor reform between January 1, 1985, and December 31, 1998. Although the dates have been imposed by data availability considerations, they are theoretically salient as well. Latin America's free market reform era arguably began with the Bolivian "shock therapy" of 1985 and ground to a halt with the onset of "reform fatigue" in the late 1990s; and the widespread adoption of union-friendly labor reform is therefore a puzzle in need of an explanation between 1985 and 1998.[8]

We use event history analysis to provide an explanation. Although labor reform is a discrete political event, and is therefore susceptible to event history analysis in theory (Jones & Branton, 2003), it is not a particularly common event ($n = 13$ in our case) and, thus, is difficult to model in practice. After all, the most widely used parametric event history models make enormously restrictive distributional assumptions that are difficult to test or justify in the absence of strong theory and large data sets (Blossfeld & Rohwer, 2002, p. 230).

Fortunately, Cox's proportional hazards model provides a relatively general, semiparametric alternative to the more restrictive parametric approach. Although the Cox model already "dominates applied work in the social and life sciences" (Beck, Katz, & Tucker, 1998, p. 1266), it would appear to be particularly well suited to the analysis of sparse data sets for it absorbs contextual factors in an unspecified nuisance function and, therefore, makes no assumptions about the underlying temporal distribution of the event in question.[9]

DEPENDENT VARIABLE

The event in question, union-friendly collective labor reform, assumes a value of 1 whenever a country adopts a union-friendly collective labor code

8. We are less concerned with the choice of 1985 and 1998 per se than the choice of the 1980s and 1990s. One insightful reviewer notes that the choice of 1985 and 1998 is somewhat arbitrary but acknowledges that "it's not clear that any other choice of years would be more defensible." Ultimately, however, our choice of starting and ending dates reflects data availability considerations as much as anything else.

9. Yasemin Nuhoglu Soysal and David Strang (1989) use proportional hazard models to explore the sources of compulsory schooling legislation in 17 European and North American countries. And Lawrence Broz and Richard Grossman (2004) use the proportional hazards approach to account for the timing of the rechartering of the Bank of England ($n = 9$) between 1694 and 1844.

by legislative means (see Table 1 for a complete list).[10] A nation can adopt a union-friendly labor code at any time, and we therefore assume that nations are "at risk" of reform from January 1, 1985, until December 31, 1998, whether or not they have already adopted their first reform. A "counter" variable that assumes the value of 1 whenever a country has already undertaken a union-friendly reform is incorporated into all models and offers an admittedly "primitive" but nonetheless commonly used solution to the potential lack of independence introduced by returning countries to the risk set after they have undertaken their first reform (Beck et al., 1998, p. 1272; see also Allison, 1984, p. 54).[11]

EXPLANATORY VARIABLES

Proportional hazards models treat the hazard rate for the probability of an event (i.e., union-friendly labor reform) as a function of the baseline hazard (h_0)—wherein all covariates are set to 0—and a series of time-varying and time-invariant explanatory variables. We include four sets of explanatory variables: structural factors; political alliances; institutional factors; and conjunctural factors.

Structural factors. The principal structural factors are the level of socioeconomic development and the size of the economy. The former is measured by the level of GDP per capita (logged); the latter is measured by the absolute size of the GDP (logged). Although GDP per capita is expected to capture average income, GDP serves as a proxy for the extent of industrialization during the era of import-substituting industrialization. Larger countries had

10. Brazil and Nicaragua (in 1988 and 1987, respectively) reformed their labor codes by constitutional amendment. Although constitutional reforms are qualitatively different from legislative reforms and, therefore, fall outside the scope of our analysis, they may alter the probability of legislatively enacted reforms. We have allowed for the possible bias introduced by constitutionally enacted reforms by incorporating an indicator variable that assumes the value of 1 wherever a union-friendly labor reform has been enacted by constitutional amendment into several models. The amendment variable does not materially affect the principal variables of interest. Results are available from the authors on request.

11. An alternative specification would incorporate a continuous variable marking the time since the last union-friendly reform. It would not, however, alter our basic results. A less sophisticated approach would simply drop cases from the model after their initial reform and thereby treat the first reform as an "absorbing state." Although models of "first events" tend to provide consistent parameter estimates, they come at a high cost: information loss, inefficiency, and bias (Beck, Katz, & Tucker, 1998, p. 1272; Box-Steffensmeier & Zorn, 2002, p. 1083). Box-Steffensmeier and Zorn (2002) discuss a number of more sophisticated solutions; however, they tend to yield inefficient or imprecise estimates when the number of higher order events (i.e., second or third reforms) is small.

larger markets and, therefore, had more advanced divisions of labor and more diversified economies than their smaller counterparts on the eve of the reform era.

Political factors. We treat union-friendly labor reform as a product of two different types of political alliances: alliances between traditionally labor-backed parties and their associates in the labor movement; and alliances between organized labor and nongovernmental organizations—including unions and human rights advocates—overseas. The former variable, partisan alliances, is captured by an indicator variable that assumes the value of 1 for every country-year in which the governing party was allied with a major labor federation.[12] The latter variable, transnational alliances, is captured by an indicator variable that assumes the value of 1 for every country-year in which a GSP petition was filed on behalf of workers in the relevant country.[13]

Institutional factors. Neither trade unions nor their allies operate in an institutional vacuum, and the alliances in question are therefore subject to institutional constraints. Although partisan alliances are more likely in historically labor-mobilizing political economies, where organized labor has traditionally been strong, transnational alliances are more likely in labor-repressive political economies, where organized labor has traditionally been weak. We differentiate labor-mobilizing political economies from their labor-repressive counterparts by including a time-invariant continuous measure of union density at the peak of import-substituting industrialization derived from Roberts (2002).[14]

12. Our measure of partisan alliances is obviously rather blunt. Ideally, we would be able to measure not only the existence but also the strength of partisan legislative control. However, most measures of party discipline in Latin America (e.g., roll call data) are available for only small subsets of countries and periods and are of questionable comparability (J. Carey of Dartmouth College and M. Jones of Michigan State University, personal communications March 11, 2004).

13. An alternative specification would measure not the filing of a petition but the acceptance of a petition for review by the United States Trade Representative. Although the filing of a petition and the acceptance of a petition are moderately highly correlated ($r = .64$) and tend to produce broadly similar results when incorporated into regression equations, acceptance constitutes an inferior measure of the presence of a transnational alliance for two reasons: First, negotiations between the United States Trade Representative, the trading partner, and the nongovernmental organization tend to precede the United States Trade Representative's decision and at times foster "preemptive" reforms on the part of the threatened government; second, the criteria for the acceptance of a petition are highly politicized and the narrower "acceptance" measure is therefore subject to selection bias.

14. The measure is derived from Roberts (2002); missing values for El Salvador and Guatemala were obtained from Rama and Artecona (2001). An alternative indicator variable that simply assumes the value of 1 for the eight countries Roberts classified as traditionally "labor mobi-

Conjunctural factors. The alliances in question were not the only potential sources of changing labor codes in the late 1980s and 1990s. Latin America was undergoing at least four different processes that could easily have altered the probability of union-friendly reform: a halting recovery from the debt crisis, periodic inflationary pressures, a wave of democratization, and a radical shift in development strategies. Although recovery and democratization tend to empower organized labor and are therefore expected to increase the probability of reform, inflation and trade liberalization tend to place pressure on labor costs and are therefore expected to lower the likelihood of reform. We use the average annual rate of GDP growth to capture the short-term economic situation; the average annual change in the consumer price index to measure inflation; an ordinal ranking of regimes (0 = authoritarian; 1 = semidemocratic; and 2 = democratic) derived from Mainwaring, Brinks, and Pérez-Linán (2001) to measure regime type; and an indicator variable produced by Jeffrey Sachs and Andrew Warner (n.d.) and updated by Romain Wacziarg and Karen Horn Welch (n.d.) to measure the state of the trade regime (1 = open).[15]

Table 2 includes descriptive statistics, data sources, and expected coefficients. The expected signs of the coefficients are in the final column. Note that the expected signs for the first three variables are indeterminate. Although organized labor in the larger, wealthier, and more industrially advanced countries might well be expected to converge to the regional mean, the possibility that unions could build on their initial advantages should not—pace Roberts (2000)—be discounted.

MODELING STRATEGY

Our modeling strategy is straightforward. First, we treat the probability of union-friendly reform as a function of structural factors, institutional factors, and political alliances (Model 1). Second, we add short-term (Model 2) and

lizing” is highly correlated with union density (r = .8) and yields broadly similar—albeit statistically less satisfactory—results.

15. Sachs and Warner (n.d.) define a country as closed if it meets any of the following criteria: (a) an average tariff of 40% or more, (b) nontariff barriers covering at least 40% of imports, (c) a black market exchange rate of at least 20% less than the official rate, (d) a state monopoly over major exports, or (e) a socialist economic system. Wacziarg and Welch (n.d.) updated the Sachs-Warner data set through the period under examination. We prefer the Sachs-Warner measure of openness to standard measures (e.g., trade as a percentage of GDP) because unlike most other measures, (a) it is procedural rather than substantive and, therefore, distinguishes the political sources of openness from their structural counterparts (e.g., the size of the economy); and (b) it is available for all of the countries and years under consideration.

Table 2
Summary of Quantitative Data

Variable	Mean	Minimum	Maximum	Source	Expectation
GDP/cap (1995 $ logged)	7.65	6.01	9.04	World Bank (2003)	?
GDP (1995 $ logged)	23.86	21.26	27.34	World Bank (2003)	?
Union density (%)	21.25	8	50.1	Roberts (2002); Rama & Artecona (2001)	?
Partisan alliance (1 = yes)	.40	0	1	Authors	+
Transnational alliance (1 = yes)	.16	0	1	Frundt (1998); Authors	+
Growth (annual %)	3.36	–13	13	World Bank (2003)	+
Inflation (annual % logged)	3.05	–9.21	9.37	World Bank (2003)	–
Democracy (ordinal ranking)	1.48	0	2	Mainwaring et al. (2001)	+
Openness (1 = yes)	.67	0	1	Sachs & Warner (n.d.); Wacziarg & Welch (n.d.)	–
Prior reform (1 = yes)	.25	0	1	Authors	–

Note: The data on nongovernmental petition and U.S. Trade Representative review were unavailable for 1998; we have used a Lexis-Nexis keyword search to fill in the missing data. The Consumer Price Indices for 5 country-years were reported as 0; we have entered the 0 observations as .0001 to achieve the logarithmic transformation.

longer term (Model 3) conjunctural factors. And finally, we examine interaction effects between the political variables and their institutional settings (Models 4 and 5).

RESULTS

Table 3 includes the results of five different models of union-friendly labor reform in Latin America. Hazard ratios have been placed beside their parenthesized *p* values and diagnostic procedures are available from the authors on request.

Model 1 examines the impact of partisan and transnational alliances in light of variation in the level of socioeconomic development, the size of the domestic market, and the prior strength of organized labor. The reported hazard ratios reflect the average change in the rate of reform induced by a one-unit change in the relevant independent variable. Thus the existence of a partisan or transnational alliance will increase the rate of reform by a factor of more than 4 net of structural factors and the overall level of union density.

Model 2 explores the durability of the results in light of conjunctural economic factors. It suggests that macroeconomic conditions (i.e., the rate of growth and the level of price stability) neither yield a significant impact on the probability of reform nor compromise the effects of the political variables. On the contrary, the influence of political factors grows stronger, albeit marginally so, with the inclusion of the macroeconomic variables.

Model 3 examines the effects of partisan and transnational alliances against the backdrop of the broader sociopolitical transformations under way in Latin America in the 1980s and 1990s. The results are similar to the results presented in Model 2. The most important sociopolitical transformations, democratic transitions and market reforms, neither compromise the effects of partisan and transnational alliances nor yield statistically significant effects of their own.

The remaining models use interaction effects to assess whether and how the probability of reform in the neoliberal era is related to the nature of the political economy—labor mobilizing or labor repressive—under import-substituting industrialization. Are partisan and transnational alliances working through preexisting institutional configurations? Although sample size considerations and the possibility of measurement error would counsel against on overly confident interpretation of the interaction effects, the last two models would appear to counsel an affirmative answer. After all, the interaction between the historic peak of labor unionization and the existence of a partisan alliance has a positive hazard ratio in Model 4, whereas its interaction with transnational alliances in Model 5 produces a negative one.

Table 3
Proportional Hazard Models of Union-Friendly Labor Reform, 1985 to 1998

Variable	Model 1		Model 2		Model 3		Model 4		Model 5	
GDP per capita (log)	1.44	(.546)	1.29	(.712)	1.08	(.922)	1.24	(.743)	1.39	(.623)
GDP (log)	0.45**	(.044)	0.43**	(.046)	0.47	(.107)	0.43**	(.043)	0.48*	(.082)
Union density	1.06*	(.059)	1.06**	(.048)	1.06*	(.072)	1.01	(.854)	1.07**	(.034)
Partisan alliance	5.73***	(.015)	6.52***	(.011)	6.35***	(.012)	1.75	(.704)	5.38***	(.020)
Transnational alliance	4.45*	(.075)	4.93*	(.069)	5.42*	(.066)	4.03*	(.097)	29.19**	(.043)
Growth		1.17	(.171)	1.17	(.183)					
Inflation (log)		1.05	(.705)	1.05	(.747)					
Democracy			1.43	(.590)						
Openness			.814	(.815)						
Partisan × Density							1.07	(.374)		
Transnational × Density									0.87	(.254)
Prior reform	0.29	(.150)	0.26	(.120)	0.29	(.159)	0.35	(.226)	0.28	(.137)
χ^2 (*df*)	13.41	(6)	15.56	(8)	15.89	(10)	14.20	(7)	15.44	(7)
N	252		252		252		252		252	

Source: Models are Cox proportional hazard models with the exact marginal likelihood calculation for tied failures. Hazard ratios are reported with their parenthesized *p* values.
$*p \leq .10$. $**p \leq .05$. $***p \leq .025$.

Hence, Model 4 suggests that partisan alliances foster union-friendly reform in organized labor's traditional strongholds but yield indeterminate results elsewhere. And Model 5 suggests that transnational alliances yield their biggest payoffs—and thereby induce a form of "catch up"—in countries where labor has never achieved enough organizational strength to be considered a serious player in the political arena.

Thus the data would appear to suggest that the options available to organized labor in the era of free market reform were in many ways circumscribed by the nature of labor's incorporation into the political system in the prior era of inward-oriented development. Although partisan alliances remain salient in their traditional, labor-mobilizing strongholds, they are unavailable to workers in labor-repressive environments, and the latter have therefore taken advantage of globalization by forging new ties to labor and human rights activists overseas. As we shall see, moreover, both our quantitative findings and our interpretation of the underlying causal mechanisms are consistent with the qualitative evidence derived from case studies of reform in Argentina and the Dominican Republic.

IV. PARTISAN AND TRANSNATIONAL ALLIANCES IN COMPARATIVE PERSPECTIVE

The statistical models we have estimated trace union-friendly labor reforms, at least in part, to political variables. They suggest that the reform process has been accelerated by pressure from both labor-backed political parties at home and labor and human rights advocates abroad. Where do the different causal factors operate? Although Model 4 locates the former process in traditionally labor-mobilizing political economies, where labor-backed parties continue to draw working-class support in otherwise uncertain electoral times, Model 5 locates the latter process in traditionally labor-repressive environments, where both trade unions and democracy are of more recent vintage. Nevertheless, the quantitative results are ultimately limited not only by statistical concerns (i.e., measurement error and limited degrees of freedom) but also by their inability to unpack or trace precise causal mechanisms. We therefore illustrate the different causal trajectories by offering brief case studies of union-friendly labor reform in Argentina and the Dominican Republic.

We have chosen Argentina and the Dominican Republic for three reasons. First, they were both characterized as model reformers by the international financial institutions in the 1990s. Second, they nonetheless adopted union-friendly collective labor codes. And third, they feature radically different industrial relations and party systems and it is therefore unlikely that their reform processes would reflect identical developmental trajectories. Argentina, after all, is the very archetype of a labor-mobilizing, populist party system (Roberts, 2002, p. 12). It traditionally boasted the highest levels of union density in Latin America, union-managed social services, and strong partisan alliances between the traditionally labor-backed Peronist Party (Partido Justicialista [PJ]) and the official unions. The Dominican Republic, on the other hand, is the very archetype of a patrimonial society (Chehabi & Linz, 1998, pp. 4-5; Hartlyn, 1998). It boasts a low level of union density, a history of labor repression, and a number of traditionally personalistic parties. Why did these two regimes adopt similarly union-friendly labor reforms in the 1990s? The answer, we argue, lies in their different historical legacies.

DOMESTIC ALLIANCES: PERONIST UNIONS AND COLLECTIVE LABOR LAW IN ARGENTINA

Argentina's neoliberal bona fides were beyond question in the 1990s. Peronist President Carlos Menem not only lowered the annual rate of inflation from more than 3,000% in 1989, his inaugural year, to single-digit levels 4 years later but also cut the average tariff from 39% to 10%, privatized state-owned enterprises—from airports and the postal service to telecommunications and oil—and the pension system, deregulated economic activities, and even carried out a mild deregulation of individual labor legislation (Murillo, 2001, chap. 5). Nevertheless, he capped Latin America's most radical experiment in free market democracy with a union-friendly labor reform in 1998, and Argentina therefore offers a useful illustration of the domestic road to reform.

Menem's drastic reforms placed enormous pressure on labor costs, reduced employment in the public sector by a wide margin, and dramatically increased the size of the informal sector. In fact, the public sector's share of urban employment fell from 19.3% to 12.7% in 1998, according to the United Nations Economic Commission on Latin America (Comisión Económica para América Latina y el Caribe, 1999), whereas the number of urban workers paying for social security—a useful indicator of formal sector employment—fell from 69% to 62% between 1990 and 1998. Trade liberalization reduced the manufacturing sector's share of total urban employment from 15.5% to 11.6% in the same period (Lindemboim, 2000, p. 34), and open unemployment peaked at 18% when Menem was reelected in 1995. Finally, the country's rigid fixed exchange rate regime encouraged the appreciation of the Argentinean peso and thereby generated added pressure for the deregulation of the labor market.[16]

The links between the governing party and labor were expressed by the PJ's control of the General Confederation of Labor (Confederación General del Trabajo [CGT]). Although labor unions were at the core of the coalition that brought Juan Perón to power in 1946, and constituted the "backbone" of the proscribed PJ following his ouster, Peronism has always been a populist, cross-class movement that appeals to other, nonlabor constituencies. After the PJ's first presidential defeat in 1983, professional politicians replaced union leaders and began to run the party directly. In the 1990s, they adapted to the neoliberal era by broadening the party's governing coalition and beginning to rely more on clientelism in the suburbs of Buenos Aires and the less populated provinces than on the distribution of broader public goods (Gibson, 1997; Levitsky, 2003). Hence, the Peronists appear to have survived the 1990s by abandoning their labor constituencies as a result of market reforms, as Roberts (2002) argues.

In this context, however, it is worth noting that Menem not only kept collective labor legislation intact but also introduced a bill, approved by Congress, that increased organizational subsidies to the Peronist unions in terms of their control of collective bargaining in 1998. In discussing Menem's labor policies, Etchemendy and Palermo (1998) show that individual labor reforms advanced very slowly due to pressure from PJ labor leaders.[17] Although Menem approved of the use of temporary contracts during his first administration and, therefore, passed a mild reform to the individual labor code, he paid for the reform with a number of concessions to the CGT, including not only union approval of the use of temporary contracts via collective bargaining but a bailout of union debts and the suspension of health insurance reform as well.

The context for the 1998 reform is illustrative of the domestic path to union-friendly reforms. By 1997, the PJ's electoral support had begun to decline. The opposition had obtained a number of legislative victories and a new center-left party had begun to appeal for labor support. In 1998, Menem negotiated a labor reform bill that would reverse all the previous reforms with

16. The process of macroeconomic stabilization required the creation of a currency board that established a fixed parity between the peso and the dollar; it thereby contributed to the appreciation of the real exchange rate and the growth of import competition that hurt domestic producers.

17. According to Etchemendy and Palermo (1998, p. 546), the Congress passed only 8 of the more than 20 bills on labor flexibility proposed by the administration between 1989 and 1995. In the same period, the Congress passed 10 out of 11 privatization bills and the executive passed the defeated 1 by decree (Llanos, 2001, p. 120).

the CGT. His proposal also centralized collective bargaining at the industry level by buttressing monopolies of representation for national level unions. Opposition legislators deprived the lower chamber of a quorum, and Menem and the leader of the PJ bloc in the lower chamber therefore had to exercise pressure to obtain legislative approval for the law. Indeed, they had to demand that a PJ legislator, who was also the president of the main industrialist association (Unión Industrial Argentina [UIA]) and, therefore, opposed the reform, come to the floor to provide a quorum—which he did at the cost of losing his job at the UIA. The law was opposed not only by business associations, the International Monetary Fund, and non-Peronist labor activists—whose capacity to challenge Peronist leaders was reduced by the strengthening of the CGT's collective bargaining monopolies—but also by the two main opposition parties—the Radical Civic Union (Unión Cívica Radical [UCR]) and the Front for a Country With Solidarity (Frente por un País Solidario [Frepaso])—which united in a coalition called the Alliance.[18]

In other words, PJ labor leaders used their traditional partisan ties to both the executive and the legislature to influence the approval of Argentina's union-friendly labor reform. The Argentinean case therefore reveals the primacy of domestic alliances in traditionally labor-mobilizing political economies. In fact, the politicization of labor mobilization in Argentina provided incentives for the subsequent administration headed by the Alliance to introduce new legislation deregulating collective labor law.[19] This case study shows that the domestic road to union-friendly reform presupposes that labor unions have ties to labor-linked parties that are in power and have enough leverage to obtain a legal reform of collective labor law.

TRANSNATIONAL ALLIANCES: NONGOVERNMENTAL ORGANIZATIONS AND COLLECTIVE LABOR LAW IN THE DOMINICAN REPUBLIC

The Dominican Republic combines an inordinate degree of dependence on the export of labor-intensive, cost-sensitive manufactured goods with "the most successful application of trade-based labor sanctions in obtaining labor-rights improvement" in Latin America (Frundt, 1998, p. 227), and it therefore offers an outstanding illustration of the transnational road to regulatory reform. The island nation's dependence on manufactured exports

18. Law 25,013 (1998) modified Laws 24,465; 24,467; and 24,013. It was approved after three failures to pass a vote in the lower chamber by 118 votes in favor, 82 against, and 2 abstentions ("Aprobaron la reforma laboral," 1998).

19. The Alliance's effort to obtain legislative approval for the deregulatory reform entailed the bribery of senators and thereby provoked a major political scandal that encouraged the subsequent Peronist administration to abolish that law.

began to grow in the mid-1980s when the debt crisis, a series of commodity price shocks, and a secular decline in cane sugar prices conspired to encourage government spending cuts, the devaluation of the peso, and the diffusion of export processing zones (EPZs) to all corners of the country. Between 1980 and 1990, the Dominican government built or licensed the construction of more than 20 EPZs, which lured more than 300 firms and created more than 100,000 jobs. By the year 2000, the number of EPZs would all but double once more, and their 481 tenants would employ almost 200,000 workers—or approximately 6% of the active labor force—and generate more than 80% of the country's export revenues (Consejo Nacional de Zonas Francas, 2003). In absolute terms, the Dominican Republic is the world's fourth largest EPZ economy. In relative terms (i.e., controlling for population), it would appear to be the largest (Warden, 2000, p. 6).

Relative labor costs are expected to constitute a crucial—and some would say the crucial—factor in the success of export processing. The manufacturers who purchase goods made in EPZs under subcontract, or who actually move to the zones themselves, are almost invariably highly cost sensitive. Well more than half the firms in the Dominican Republic's EPZs, for example, are dedicated to the production of textiles, clothing, and footwear. And the Dominican Republic would appear to have offered cost-sensitive manufacturers of labor-intensive products an unlimited supply of low-cost labor in the late 1980s. After all, President Joaquín Balaguer, who returned to power in 1986 after an 8-year hiatus, had not only started his political career as an associate of the inveterately antilabor dictator Rafael Trujillo, who had ruled the Dominican Republic with an iron fist from 1930 until his 1961 assassination, but also personally presided over the virtual evisceration of what was left of the country's labor movement—as well as a precipitous 30% decline in real wages—during his first 12 years in office in the late 1960s and 1970s (Espinal, 1987).

Why, then, did Balaguer shift course and adopt a regulatory labor reform in 1992? According to Jonathan Hartlyn (1998, pp. 206-207), U.S. pressure played a key role. After all, America's Watch, a prominent U.S.-based human rights organization, had filed a GSP petition on behalf of Haitian cane cutters who worked on the Dominican Republic's sugar plantations in 1989. The petition focused scrutiny on labor relations throughout the country, and the American Federation of Labor–Congress of Industrial Organizations (AFL-CIO) therefore began to threaten action with regard to working conditions in the by now increasingly important EPZs as well (Frundt, 1998). Balaguer responded to the threat by appointing three well-known labor lawyers—Rafael Alburquerque, Lupo Hernández Rueda, and Milton Ray Guevara—to draft an alternative to the draconian labor code that had originally been drafted by Trujillo in the 1950s and had long been portrayed as the "sword of Damocles" hanging over the heads of Dominican workers (de los Santos, 1983, pp. 53-54; see also Méndez, 1993).

The draft labor code of January 1991 clarified labor's rights in general; underscored the rights to organize, strike, and receive a just wage in particular; and garnered the grudging support of labor leaders who actually believed that it did not go far enough (Frundt, 1998, p. 216). But it provoked hostility in the private sector, fear in the EPZs, and opposition in the Chamber of Deputies, where Balaguer's Social Christian Reformist Party (Partido Reformista Social Cristiano [PRSC]) held a plurality rather than a majority of the seats. Although opposition deputies successfully derailed the legislation in the fall legislative session, the AFL-CIO threatened to put forth another petition in the spring of 1992; and Balaguer therefore secured the new labor code's approval by soliciting additional votes from key Dominican Liberation Party (Partido de la Liberación Dominicana [PLD]) deputies who were themselves, in a number of cases, labor leaders (see Méndez, 1993, chap. 5; see also Hartlyn, 1998, p. 210).[20]

The impact of U.S. pressure should not be exaggerated. Although a new petition filed by the AFL-CIO in 1993 forced the government to create "new laws, new courts, new rights, and new protections" (Frundt, 1998, p. 223), and thereby gave the code some teeth, workers in the EPZs are still, for the most part, poorly paid and nonunionized. But the government has dedicated substantially more resources to labor law enforcement of late (General Accounting Office, 1998, pp. 13-14; see also Schrank, 2005). A number of unions have signed collective bargaining agreements (Frundt, 1998; Jessup & Gordon, 2000). And the Dominican Republic's EPZs are the second most remunerative in Latin America—their admitted shortcomings notwithstanding (see Schrank, 2003).

In sum, the Argentinean and Dominican case studies illustrate the causal mechanisms emerging from our larger study. Argentina plays host to strong labor unions and a powerful, labor-backed party. The Dominican Republic, on the other hand, plays host to feeble labor unions and personalistic political parties. What explains their common adoption of union-friendly labor reform in the otherwise union-averse 1990s? Although the Argentinean reform was a product of domestic political alliances, the Dominican reform is inexplicable in the absence of pressure from overseas.

20. The resultant breakdown in party discipline precipitated a split within the Partido de la Liberación Dominicana and a subsequent political crisis (see Hartlyn, 1998; Méndez, 1993).

V. ECONOMIC CONVERGENCE, HISTORICAL LEGACIES, AND LABOR REFORMS

We believe that our analysis of labor reform in Latin America makes two important contributions to comparative political economy. Our first contribution is descriptive—but by no means unimportant—and involves challenging the more naïve variants of the "convergence" hypothesis by exposing the union-friendly character of most reforms to collective labor law in the 1990s. Our second contribution is explanatory and involves tracing the unexpected process of union-friendly reform to the efforts of two different alliances—domestic and transnational—that unfold within the conditions created by the two different historical legacies of labor mobilization.

The first contribution is by no means obvious, for the main obstacles to globalization-induced policy convergence in the advanced industrial countries are institutions and their legacies—which are widely believed to be either uniform or permeable in Latin America. According to Hall and Soskice (2001), the strategic interactions of economic actors in domestic markets, which simultaneously engender and reflect their differential abilities to resist or adapt to globalization, are mediated by the institutional comparative advantages of their advanced industrial host countries. But the institutional constellations known as liberal market economies and coordinated market economies in the advanced industrial countries are all but absent in the late-late industrializers of Latin America. In fact, Latin America's institutional fragility would appear to account for the apparently universal embrace of market-oriented reforms in the region.

We have argued, to the contrary, that the historical legacies of different labor relations institutions and party systems gave different unions different incentives and capacities to resist the liberalization of their respective labor markets. On one hand, unions in traditionally labor-mobilizing systems had both an incentive and the capacity to extract concessions from their traditional legislative allies when they were in power. On the other hand, unions in traditionally labor-repressive environments had both an incentive and the ability to turn to foreign allies who could tie market access to the defense or improvement of labor rights.

Our second contribution, therefore, is analytical. We not only have traced the same historical outcome—union-friendly labor reform—to two different historical agents—domestic alliances of organized labor and labor-linked political parties and transnational alliances of domestic labor unions with overseas labor and human rights activists—but also have underscored the institutional limits to the success of each alliance. Although the former alliance is both more likely to emerge and more likely to succeed in traditionally labor-mobilizing polities, where incumbent labor-linked parties trade concentrated payoffs for enduring electoral support, the latter alliance is the product of labor-repressive environments, where U.S. trade sanctions—but not domestic alliances—carry weight.

Our emphasis on the political limits to convergence should therefore be interpreted not as naïve voluntarism but as support for a path dependent interpretation of labor law reform in contemporary Latin America.[21] After all, the transnational alliances we have described required more than the shrewd stewardship of labor unions in the Caribbean Basin and their allies in the United States to succeed. They owe their admittedly tentative success, at least in part, to an institutional mechanism—trade conditionality under the GSP—that was created by the authors of the U.S. Trade and Tariff Act of 1984 and a political regime—the Clinton administration—that was at least moderately sympathetic to the entreaties of organized labor.[22] Domestic alliances, on the other hand, demand that labor-linked parties with access to political power are willing and able to deliver the goods to their union allies while they are trying to broaden their governing coalitions and adapt to pressures for market-oriented policies.

Finally, not only the two paths toward union-friendly reform but also the distinct types of union-friendly reform would appear to reflect the different legacies of labor-mobilizing and labor-repressive laws and institutions.[23] In the labor-repressive countries, most of the reforms we have examined negatively sanctioned antiunion activities, improved job protection for union activists, and eased the procedures for union registration. In other words, they moved their industrial relations regimes toward compliance with the emerging international consensus on core labor standards that has increasingly been demanded by domestic labor and its transnational allies (Cook, 2004, p. 4). In the labor-mobilizing countries, however, union-friendly reforms were more likely to increase the organizational resources of trade unions to help them cope with the broader impacts of liberal market reforms. Both labor leaders and partisan allies valued these organizational resources because they could later be used when labor-linked parties were out of power.

21. Our findings are, however, limited to the arena of labor law. We are in no way denying the convergence of Latin American political economies in other institutional or policy arenas (see, inter alia, Roberts, 2002).

22. It is perhaps worth underscoring the differences between the Clinton administration and the Bush administrations by which it was flanked. The United States Trade Representative's receptiveness to labor rights petitions expanded markedly under Clinton and his trade representative, Mickey Kantor, who "began his law career helping migrant farm workers" (Dunne, 1994, p. 5), and it declined markedly following Clinton's departure.

23. We use a unionization rate of 20%—the Latin American population median—to divide the two types of countries.

However, Chile constitutes an intermediate case that includes both elements in its reforms due to the antiunion legacy of Pinochet's labor reform.[24]

In short, we have shown that most Latin American countries have adopted union-friendly reforms to their collective labor codes in the era of market-oriented reform. We have attributed the seemingly paradoxical growth of union-friendly reform to two different alliances. And we have underscored the institutional roots and limits to each of the two alliance patterns.

By way of conclusion, we would suggest two useful avenues for future research. First, if the path dependent legacies of labor-mobilizing and labor-repressive political economies are in fact robust, as we have argued, we would suggest further study of both their origins and their mechanisms of reproduction. After all, the roots of institutional emergence and the conditions for institutional reproduction are not necessary identical (Mahoney, 2000; Pierson, 2000; Thelen, 2003), and a complete understanding of the latter frequently demands a better understanding of the former. Second, if trade unions continue to exercise influence over the shape of collective labor law, they also continue to lose members and correspondingly, influence in other policy arenas. Therefore more research is needed on the implications of these labor strategies for those who are left out—specifically, workers in the informal sector and the underemployed and unemployed.

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24. Our findings regarding the substantive patterns of reform coincide with Cook's (2004) qualitative interpretation of several Latin American labor reforms.

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