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The Free Trade Area of the Americas (FTAA)
in the long crisis of Brazilian labour

Amanda Latimer
Department of Social Anthropology,
York University, Toronto.

Contact information: 8 Hampden Road,
London,
N17 8ND

Phone (home): 0208-292-1176

Email: a_latimer@yahoo.com
alatimer@kingston.ac.uk

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Biographical information: Amanda Latimer is a doctoral candidate in social anthropology at York University, Toronto.

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The reason that capital needs living labour is the moment of valorising capital. Labour is a constituent potential; without living labour there is no creation of value. If capitalism could, it would already have eliminated living labour. The working class obstructs capitals: it strikes, it rebels, it opposes. Ultimately, it has multiple forms of action which are used to say 'no' to the violence of salaried work. Capital can not eliminate living labour, but it can make an enormous part of our working class superfluous (Antunes, 2003: 100).ⁱ

Introduction: Signs of life following another lost decade.

The Free Trade Area of the Americas (FTAA) was an ambitious effort by the United States to combine the economies of the Western hemisphere (barring Cuba) in what would have become the largest economic bloc in the world. By the time the FTAA project was shelved in November 2005, it had spurred one of the broadest movements in opposition to neoliberal free trade anywhere, mobilizing activists in dynamic and layered networks that seemed to bring the issue to every corner of the Americas. In Brazil, the campaign against the FTAA came into being through the articulation of particular stories of neoliberalism and the impacts they had on communities and the experience of labour over the past decade. However, activists argued that behind the 'radical particularities' of their experiences, like the blind men and the elephant, the FTAA allowed them to identify the contours of the model itself; and in so far as the draft agreement expressed that model in a single package, it could then be confronted and debated. On this simple premise, the movement against the FTAA achieved a degree of coordinated action that had seemed unattainable during the 1990s. This paper is based on ethnographic research conducted from 2005 to 2007 in São Paulo

with activists and organisers in the national and hemispheric coalitions against the accord. The study sought to find out to what extent the experience of Brazilian workers during the neoliberal crisis was reflected in the project of the FTAA.

Before turning to this question, I want to preface this paper by registering the absolutely inalienable nature of living labour. This condition extends between the spheres of the formal and so-called 'informal' sectors of labour; the latter, which became all the more pervasive and complex following the restructuring of production and labour markets in the 1990s. In the business district of the Avenida Paulista in São Paulo, the abundance of mostly dark-skinned, fit, working bodies is one of the first things you notice. The buzz of people *making work* where there isn't any, filling the space between the recognised, well-paid and parasitic labour of the financial and corporate world and the 'outside' of the market, without ever letting on they are part of the same system. The armies of *carteeiras*, mostly young men of 'working age and ability' who drag massive carts between luxury SUVs and buses, collecting cardboard to be recycled. Street vendors who are willing to pay the city inspection tax in order to sell without police interference; and the *camelôs* who are not, and who periodically fold up their goods and take off running in a single rippling body, as the police predictably make their rounds. And the kids aged eight and up who sell candy to commuters on the metro with a balanced ethos of defiance and worry of reprisal. Beyond the strange mix of deference, pity, avoidance, and the odd sale, what stands out in their transactions with the public is a sense of rigour and professionalism – the right to *be there*, to make a living; something that one wouldn't expect to see in an eight-year old body. Then, the space between this army of children *working*, and another army of children, *organised and armed*; gangs of organised youth in the

Brazilian metropolises that fill the evening news, training foreigners and Brazilians alike to be afraid of children on the street. Regardless of their activities, the common factor amongst this youth is that they will fit into whatever structure they are allowed entry.

The threat of an eventual Free Trade Area of the Americas stretched from particular to general experiences amongst workers like these, and then back again. After a decade of unionism on the defensive throughout the region, the struggle against the FTAA was one of the first moments when workers positioned as competitors attempted to organise in such a fashion as to confront the structural conditions of labour that had accompanied neoliberalism. These are conditions that, in the imperialist phase of global capitalism, have been longstanding in countries like Brazil, but whose contradictions intensified under neoliberal governance. But in this context, I initially had trouble figuring out where to put ‘out of work but working’ bodies. What did neoliberal globalisation and the potential FTAA *mean* in a country that has long been home to declining real wages and a sizeable reserve army of labour? How did workers reckon with the success of Brazil as a regional economic powerhouse closely on the back of a decade when the elements of crisis amongst the working classes seemed more intense than ever? And what does that then suggest for the way the global justice movement approaches free trade?

Theoretical considerations.

There are two arguments I hope to make here. First (1), that the FTAA project occurred in tandem with key historical dynamics of Brazilian social relations that predate the crisis of labour under neoliberalism, and which simply didn’t disappear under the weight of revisionist narratives of imperialism, the ‘end of history’ or the

globalisation of immaterial labour and other new historical subjects. These dynamics also informed the debate around and responses to the FTAA by Brazilian labour and social movements. The first I have already flagged: the absolute levels of living labour in Brazil, regardless of the capacity of the dominant regime of accumulation to absorb it. Ten years following the opening of the economy to deregulated trade and investment flows, the struggle against the FTAA took place in a context where Brazil's 'surplus population,' more numerous and complex than ever following the productive restructuring of the 1980s and 90s, had been redefined in terms of the country's relative advantage in cheap labour. And despite the tumult of the 1990s for workers, the same inalienable energy filled the spaces of the campaign, shaping deliberate attempts to challenge the structural causes of the crisis; here, in the form of a free trade agreement.

Secondly (2), in keeping with Marx's general law of accumulation, the centrality of this 'relative' surplus population to regional accumulation strategies (here, as expressed in the FTAA proposal), even in the absence of relative surplus value as a generalised regime of accumulation. My comments on the centrality of living labour are nothing new; what I'm offering is a normative and theoretical framing of productive restructuring that refers to the debate in the early 1970s over the so-called 'marginal mass' and relative surplus population in Latin America (see Nun, 1969; Cardoso, 1971), which emerged in an attempt to understand why the productive systems that had accompanied rapid industrial accumulation in the post-war period seemed incapable of absorbing the equally rapid growth of the urban workforce. As usual, the question starts in the formal labour process. As de Souza (1974) described

this conundrum in reference to the industrial park at the height of the Brazilian

‘Miracle,’ from 1968 to 1973:

‘In all its stages, the economic process instituted in Brazil was based on the co-existence of advanced forms of capitalist exploitation and the most backward forms of production. The basis ... of this development was the intensive exploitation of labour power and not the utilisation of technology. However, these two forms complemented each other, and only when the world system required the more advanced forms of production (agricultural or industrial) were they introduced’ (p. 2; see also Marini, 2005: 160).

In this context, the task of increasing labour productivity through technological improvements to the labour process was often neglected in favour of high rates of exploitation; often to the point where wages fell below the level required to reproduce workers’ labour power in a given social setting. In other words, particularly in labour-intensive stages of those global production chains that are geared towards export markets (in other words, where workers themselves were not required as consumers), these factors favour recourse to the ‘superexploitation’ of Brazilian labour. Crucially, this trend towards superexploitation developed in keeping with Brazilian development and integration with global markets (namely, in response to deteriorating terms of trade over the long term for Brazilian exports, see Kannebley & Gremaud, 2003)ⁱⁱ and not in their absence.ⁱⁱⁱ Brazilian dependency theorist Ruy Mauro Marini (2005) argued that recourse to superexploitation is in fact a characteristic of dependent development in Latin America, and all the more so at moments of rapid accumulation.

In the context of the FTAA campaign, it is important to note that this degree of exploitation was and is little seen in countries like Canada or the United States, even in the current period of declining real wages, precarious labour and declining labour rights. In other words, in a transnational social movement predicated on the idea that

workers everywhere were under attack by the same mechanisms, I would argue that the realities faced by Brazilian (and other Latin American) workers mobilizing against the FTAA forced the particularity of Southern labour back on the agenda. But not its particularity in isolation. As a participant of the Brazilian campaign insisted, 'Who commands the Brazilian economy isn't national capital – it's grand multinational capital' (Rossi, 2006). That this crisis wasn't in fact *new* to Brazilian workers, but rather, only the latest phase of a mode of exploitation embedded in global fields of accumulation, draws our attention to the imbrication of 'local' or national social relations with regional (or global) structures of accumulation. For Marini (2005), the Brazilian national economy could only ever be interpreted 'in its globally-informed structure and functioning. ... Capitalism *sui generis* only makes sense if one considers the system as a whole, as much at the national level as (principally) at the international level' (p.138; also Higginbottom, 2010). This is what the dependency perspective has to offer: not that it places all the ills that have befallen the periphery at the doorstep of the North, as critics have suggested; but because, in an age dominated by global production and value chains, it provides the tools for reckoning class relations (and hence, struggle) within a regional or global framework, as the case may be, rather than relying on the trope of class struggle hemmed by the impervious borders of a national economy. This, in turn, provides an exit to the limitations of anti-capitalist strategies tied the trope of the 'local' in an imperialist age, and particularly from imperialist countries.

The Neoliberal Crisis of Labour in Brazil.

In general, the 'crisis' in question refers to the experience of urban and rural workers of structural changes to the organization of production, labour markets, and the labour process (largely in keeping with the liberalization of trade and financial flows, broad deregulation and the dismantling of the State) that began in earnest in the 1990s, as well as the political crisis of representation in the labour movement that followed (see Codas, 1998; Faria, 2002; Guimarães, 2001; Jakobsen & Barbosa, 2008). However, the crisis has also been captured in Codas's (1998) conception of a division that emerged in the 1990s between an 'island' of workers with full access to labour rights, salaries over the minimum wage, access to pensions and other gains of the labour movement; and the burgeoning 'ocean' of those periodically cycled through formal labour markets, but structurally excluded from access to stable jobs, wages and rights.

Throughout the 1990s, the rate of unemployment soared to historic rates as businesses effectively externalised elements of the labour process and eliminated thousands of job posts in an effort to improve their competitiveness in the newly opened economy. The south-eastern industrial heartland of the country experienced capital flight to other regions of Brazil where the union movement was weaker; something that is readily visible as one moves past the great factory belt in the peripheries of Greater São Paulo itself. Total unemployment in São Paulo more than doubled from 1989 (9.8 per cent) to 1999 (21.83 per cent), with over two million jobs having disappeared from the industrial park over the course of the 1990s. In the same period, unemployment rates were consistently higher amongst women (from 10.6 to 21.7 per cent, compared to 7.5 to 17.4 per cent amongst men), non-white workers (from 10.5 to 23.5 per cent, compared to 7.9 to 17.1 per cent amongst white workers) and youth (Fundação SEADE 2012). However, the *abertura* intensified a constituent contradiction

of the current regime of accumulation: an increasing reliance on ‘cheap female labour’ in the context of massive structural unemployment, with women occupying low-skilled jobs in labour-intensive sectors on short-term, precarious contracts, without signed workers cards (Guimarães, 2001: 82, 88). Regardless of women’s ‘inclusion’ in labour markets, the *full* costs of women’s labour were first to be externalised both by firms throughout industrial restructuring and in the aftermath of the withdrawal of the State (Guimarães & Leite, 2002: 28).

Informal employment also soared, peaking at 53 per cent of the economically active population in 1998 (Jakobsen & Barbosa, 2008: 124). Rural workers saw 26 per cent job loss (or three million posts) over the same decade, most of which were linked to small-scale subsistence production (p.125). The wage share in profits fell from 1989 to 2003, allowing firms to maintain high profits over the same period; a sharp contrast from the move from dictatorship to democracy only a few years earlier, when the emergence of an independent and militant workers’ movement in the form of the CUT (the Single Workers Central Union) and the PT (the Workers’ Party) had helped to maintain wage levels during moments of hyperinflation (Marquetti et al., 2010: 497-498).

The mainstream narrative about the neoliberal decade linked rising profit margins to the production of more value, while high unemployment, the explosion of flexible labour categories and falling real income were portrayed as necessary side effects of that increased productivity (*Folha de São Paulo*, 21 February 2009: B2). In fact, several study participants noted that restructuring was related more to the reorganisation of labour markets, contracts and the labour process in this period than to improvements in the technical bases of production (Codas, 1998: 53). Echoing de

Souza's (1976) observation above from the 1970s, the rationalisations of the early 1990s should be registered as the latest effort to increase surplus value by eschewing greater worker productivity in favour of increasing the reserve army, and leveraging its weight to exact greater surplus value from those still in formal employ; now subject to intensified labour process, and with fewer guarantees, short, unstable contracts and, particularly in labour-intensive sectors, often wages depressed well below the level required to reproduce the workers' labour power. But crucially, this movement between those in formal employment and those in the 'reserve army' has also intensified: 'Even in more modern metropolises like São Paulo, we observe that, rather than a free flow between unemployment and employment, two-thirds of the workers live in a grey zone, where workers are constantly in and out of a condition of unemployment, employment or activity' (Jakobsen & Barbosa, 2008: 128-189). As Marx (1974) argued in his discussion of the general law of accumulation, it is the unity and movement between the two sectors, and not simply exploitation at the point of production, which is the key to the current regime (and its success) of accumulation in Brazil (chapter 25).

The interpretation of the political ramifications of these trends amongst study participants was quite varied, and often bitterly so. In contrast with the vitality of working class consciousness a decade earlier, a former metalworker worker recalled that the depoliticisation of young workers in the 1990s, which began in the fragmentation, deskilling and intensification of the labour process; and precarious contracts that rarely extended full benefits (in Brazil, expressed in the form of a signed workers card), and which made it difficult to make links between workers and so, to organise at the shop floor level. Workers related the deskilling of industrial labour in

key sectors around São Paulo to a broader de-tooling of workers politically, with the systemic culling of more radical organisers and union leadership; men and women who had 'led the struggles of the [previous generation] and who were thrown away from one moment to the next' (Chaves, 2006). Restructuring reinforced existing divisions in the labour movement, feeding a more acquiescing style of union politics, albeit amongst a reduced number of workers organised in the formal sector. Many workers from different positions in the labour movement pointed to a crisis of representation in the labour movement driven these structural transformations, but not simply the result of falling union density, the culling of radical leadership and the withholding of the right to organise independently in the workplace. It was also the response to a new management direction that, with the threat of mass layoffs and marginalisation hanging in the background, saw businesses attempting to win the consent of workers to the new environment through a series of tactics. These involved a 'call to participate' in restructuring through, for example, rewards for individual 'participation in profits/results' policies to get workers to buy into productivity targets, and social clubs and workplace investments intended to get workers to identify not with other workers but with the firm itself (Codas, 2006). More controversially, the call to participate in the public sphere has brought the involvement of the very instruments of working class struggle of a previous generation in a series of 'social dialogues' where unions are actively 'negotiating' the flexibilisation and dismantling of labour and union rights. However, as a sociologist with the CUT's school for union leaders insisted,

In Brazil you don't need workers reform because in practice, it's already happened – the market of workers in Brazil is already very 'flexible.' They say that the worker in Brazil costs a lot ... that there are too many laws, too many rights. ... But we have a history of non-compliance, even with the rules that exist! The rules were never very

good, but historically, they were never actually fulfilled by capital (Teixeira, 2006).

What was distinctive about the neoliberal crisis of labour is that it resulted in a situation where the reserve army itself, and not just the workforce, became internally segmented to a qualitatively new degree; magnifying the dialectical unity between the 'worker' and 'reserve army' as expressed in the general law of accumulation. This scenario has been central to the new regime of accumulation in Brazil, and marketed (if only in relief) as a source of comparative advantage in trade negotiations.^{iv}

The Movement: key actors & strategies.

By the time that the FTAA was shelved in 2005, the campaign against it involved a series of transnational, cross-sector and nation-based spaces which overlaid and, for the most part, reinforced one another. In Brazil, the movement can be understood as the legacy of the politics of alliance and 'social movement unionism' that saw the birth of the CUT, the PT, Movimento dos Trabalhadores Sem Terra (MST) and major NGOs in the struggle for democracy in the early 1980s. The politics of alliance in the FTAA campaign also challenged the impoverished logic of progressive politics that came to dominate the neoliberal era, which sees each social actor isolated and fighting for scarce political and financial resources in the public sphere, whether in the context of identity politics divorced from class struggle, or co-opted spaces of 'civil society participation' as those featured in formal negotiations of the FTAA. In a sense, this is the political correlate to the experience of labour segmentation and the explosion of the reserve army at the heart of the neoliberal crisis of labour.

The **Hemispheric Social Alliance** (from here, HSA) is a transnational 'network of networks' that was established to unite opposition to the FTAA, using a political form that mirrored the scope and reach of the negotiations themselves, but with a social base. The roots of the network can be traced back to relationships set up between national coalitions in the three (or four, including Québec) nations set up to oppose NAFTA in the early 1990s. These relationships, in turn, followed a series of cross-border initiatives between workers and NGOs to overcome the limitations of fighting the fallout of the new regional segmentation of the workforce that had taken off in the 1980s locally: plant closure and relocation, lean production and the downward spiralling of terms and conditions, and the union-busting tactics and human rights abuses that often accompanied the relocation of the lowest, most labour-intensive tiers of production south of the US border (Moody & McGinn, 1992: 42-58). Facing a similarly brutal process of industrial restructuring, the CUT of Brazil was by this time engaged with other industrial unions of the region in the process of constructing institutional inroads for labour in Mercosul. Once NAFTA had come into effect, the CUT, ORIT, and the NAFTA coalitions redirected efforts to the task of simply finding out what was being negotiated. After two years of internal discussions with the support of the AFL-CIO and spurred by the CUT, ORIT extended an invitation to unions, social movements and NGOs to mobilise against a 1997 ministerial meeting of the FTAA in Belo Horizonte, Brazil. Almost a year later at a popular summit called during a meeting of the American heads of state in Santiago, Chile, the Hemispheric Social Alliance was formalised. The key strategies of the network were geared towards raising the FTAA in public debate, putting pressure on governments as they engaged in negotiations and contributing to the growing debate on alternatives to neoliberal free trade in the

Americas. By 2006, the HSA brought together some (but by no means all) of the largest institutional opponents of the deal. Recognizing that some of the most dynamic opposition to neoliberal free trade was coming from regional networks and campaigns which remained unaffiliated to the alliance (particularly in the Andean region), and inspired by the success of the Brazilian popular referendum on the FTAA in September 2002, the HSA launched a “Continental Campaign” of public education drives, consultations and mobilisation from 2002 to 2003, which drew attention to the lack of democratic consultation by governments on the issue.

The **Brazilian Campaign against the FTAA** represented a grand articulation of the Left at the end of yet another ‘lost decade’. The campaign emerged as part of an ongoing discussion that started in the late 1990s over the structural causes of poverty and dependency in Brazil initiated by the progressive wing of the Catholic Church, including the social problems generated by the foreign debt in Brazil, the need for land reform, the privatisation of state enterprises like Petrobrás, and most recently, megaprojects. This process, called the Social Weeks, aimed to recover the role of the Church had played in the 1970s as the “Church of the movements,” a tool to bolster grassroots organisation, articulation between movements, political formation, and generally joining the call for greater democratic participation. This process mobilised a broad array of grassroots organisations as well as the machinery of the left wing of the Catholic Church, the MST, the CUT and political parties.

Where the HSA’s key strategies were geared towards lobbying than mobilisations, the Brazilian (and more broadly, Continental) campaign focused on popular education, heated debate and mobilisations, as well as engagement with the Brazilian government over its role in the FTAA negotiations. The height of its

mobilisation (and one of the peaks of the FTAA campaign continentally) was an intensive campaign of grassroots education, debate and consultation that culminated in a popular plebiscite on the FTAA in September 2002, on the even of the national elections which would bring Lula and the Workers' Party to power. Launched during the second World Social Forum in Porto Alegre, the effort involved over 150,000 volunteers from hundreds of popular movements, unions, pastorals and NGOs. In the lead up to Brazil's national holiday, over ten million people cast votes on three questions. The results indicated a clear rejection of Brazil's participation in the negotiations, as well as negotiations with the US over the leasing of a military base on the island of Alcântara.

The FTAA: a Magna Carta for Grand Capital.

While the idea has had long purchase in US foreign policy, negotiations towards a Free Trade Area of the Americas began following the launch of NAFTA in 1994. From the point of view of advocates, the FTAA was only a 'simple trade agreement,' and a natural extension of NAFTA that was barely worth talking about, let alone with the public. The bloc would enhance the global competitiveness of US and Canadian capital by providing a regional point of entry to global markets that would rival the size and weight of the European Union. From the US standpoint, the objective was to secure Latin America as a 'captured' market for US consumer goods, services and agricultural products to address its massive trade deficit. In the now-infamous words of former Secretary of State Colin Powell, 'Our objective with the FTA is to guarantee control for North American businesses over a territory which stretches from the Arctic to the Antarctic, free access over the entire hemisphere, without any obstacles or

restrictions, for our products, services, technology and capital' (in Jakobsen & Martins, 2004: 20). Finally, the US sought extensive investment privileges for its corporations modelled along the Chapter 11 of NAFTA, to stave off European and Japanese competition to investment opportunities in the region (pp.19-20).

However, for activists in the campaign against the deal, the FTAA represented a 'Magna Carta' for grand capital which threatened to extend a series of rights to foreign investors and corporations which, when compared to those enjoyed by States and citizens in the region, were shown to be in equal part exclusive, expansive and often punitive. In this sense, the role of movements was to illustrate the class content of the assault; again, exposing the regional setting of class relations. Participants pointed to features of the agreement that would open new areas of accumulation by spurring the commodification of what had been direct relationships, unmediated by the market. Rural workers with the MST, for example, that US proposals for expanded intellectual property rights would also open up the definition of 'property' to elements of food production with which small rural producers and households have been fighting to maintain a direct relationship; thereby sharpening the contradictions of rural social relations associated with Brazil's export-led economy. Taking the devastation of Mexican small-scale farming under NAFTA as a warning, where the 'right to produce' had been taken away, landless workers contested the definition of "productive" land use implied in the FTAA. As one activist explained, 'We speak about the "desert economy" when we have to produce to export, for the metropole, and our people go hungry' ('Caio,' 2006).

Similarly, feminists and public sector workers pointed to provisions that would further dismantle a series of collective rights only recently won by workers and social

movements at the end of dictatorship, which started in earnest with the mass privatisations and downsizing of the public sector in the mid-1990s. These included US demands to further liberalise access to services (already almost monopolised by foreign investors during the massive privatisations of the late 1990s), and for a national standard of treatment for US firms in government procurement which would prevent tendering to meet non-commercial and social priorities, where ‘the government needs to set other types of rules, to operate under a different logic’ (Codas, 2006). Here also, activists identified a process whereby elements of the direct relationship they had had with a viable public sector was being converted into commodities to which they would subsequently only be able to access through the market. Here, women with the World Women’s March pointed to increasing pressures on women’s responsibility for social reproduction and caring labour in the household following the mass privatisations of basic utilities, services, and the defunding of social programmes in the mid-1990s. Furthermore, in instances where such a conversion met with resistance from either social movements or from governments – in other words, where such relationships could not readily be dismantled and commodified – the themes in question were recast in negotiations as trade-distorting or protectionist measures.

The FTAA between the Island & the Ocean.

While there was no labour chapter (or side agreement, as there is in NAFTA) in negotiations, for many the FTAA project had everything to do with labour. Activists often said that the agreement threatened to simply set in stone what was already common practice in their region. In response to the leveraging of industrial and

service sector tariffs against market access for Brazilian agricultural products by Brazilian negotiators, for example, workers voiced fears over another wave of massive job losses, falling real wages and conditions, and an increase to poverty following yet another wave of liberalisation. As much in Brazil itself with the ‘fiscal wars’ of the 1990s, as in North America, Central America and the Caribbean in the 1970s and 80s, and then again in the 1990s with NAFTA, trade liberalisation had in a sense meant the exertion of capital’s general law of accumulation over entire sub-regions: workers were made to feel the pressure of a reserve army from one region on the wages and conditions of workers in another. Time and again, workers mentioned that if they tried to take an ‘aggressive’ stance in bargaining, or simply tried to organise for the first time, the threat of the jobs moving away was always there. Reflecting on the spaces typically reserved for women in such a scenario, an organiser with the World Women’s March observed that, with the FTAA, ‘They want to turn the whole continent into a maquiladora.’

This was a major point of unity. However, I would also argue that, to an extent, the crisis of labour was reproduced in each network, shaping the strengths and limitations of each. A first expression of this came in the debate over the possibilities of ‘reforming’ the FTAA through the inclusion of a social, labour or gender clause in the earliest days of the HSA (as well as ORIT and feminist movement). This informed the markedly incoherent chapters on labour and gender in the Alliance’s (2002) *Alternatives for the Americas*, as well as a strategic debate over how to relate to the official spaces of participation in negotiations. On the one hand, assuming the inevitability of the FTAA and the model it represented, some unions and NGOs argued that it was essential for organised labour and women to at least be at the table in

negotiations to represent their interests, and that the inclusion of a social clause would mitigate the more savage impacts of an eventual trade agreement. On the other, others including the CUT-Brazil and the World Women's March argued that it was impossible to 'humanise' the FTAA, that the official agenda and spaces for 'civil society participation' were simply part of a strategy of cooptation, and that their position should clearly be against any deal. As the details of the agreement and its scope came into view, the former position faded into the background and, by the Peoples' Summit in Québec City in April 2001, the Alliance coalesced around the position "No FTAA!" However, the debate brought to the fore political divisions in the labour movement, as well as the feminist movement, at the end of the 1990s; between reformist and radical positions in relation to the greater degrees of exploitation and exclusion that had accompanied the neoliberal crisis of labour; and between a politics of labour and gender that made peace with the impoverished politics of representation in the 1990s and those intent on recapturing broad base movements.

This was epitomised in 2002 with the popular plebiscite on the FTAA, at once the pinnacle and all-time low point of the campaign. Many activists remarked that the degree of social engagement and debate reached a point that hadn't been matched in Brazil since the debate around the 1988 Constitution following the end of the dictatorship. However, and despite the active involvement of members of the PT base in its preparation, the PT (and tacitly, despite the ongoing commitment of key individuals and base union affiliates, the CUT) distanced itself from the process. Once Lula came to power, the new government refused to engage with the results of the vote. According to some, the rift occurred over the inclusion of the question related to the base at Alcântara. More significantly, the strategy of the PT was to remain at the

negotiating table to push for 'another FTAA;' in fact, the widespread social opposition to the FTAA – and even the results of the referendum – only strengthened this stance. But in light of the multiclass alliance Lula had constructed to support his presidency, participants continued to ask whose interests would be served in this gambit. By the time of this research, which bridged the first and second mandate of the Workers' Party, the confusion and frustration generated in this early moment had culminated in an all-out crisis on the left, with participants citing the PT's turn to labour and union reforms and imperialist intervention in Haiti as signs that it had abandoned its traditional base.

A second and often related point was the role of the State (and implicitly, national capital) took in the debate over alternatives to the FTAA. The debate was essentially over two things: how to interpret the neoliberal crisis of labour; and the question of what type of development is possible in the context of dependency. The segmentation of labour markets and emergence of precarious labour categories, the concentration of income and declining wages, the explosion of the reserve army, and the concomitant tendency towards the superexploitation of labour – were they simply the product of a poor selection of policies and weak institutions, or were they intrinsic to the response of Brazilian *and* foreign capital to Brazil's dependent insertion into the global economy (in other words, to Brazilian social relations)? What grounds of capitalist development are possible, within or without the neoliberal model?

Here, one can discern two broad standpoints which speak to the crisis of labour. The critique of the FTAA by the CUT and others related to the surrendering of the industrial park, the denationalisation of key sectors of the economy in the 1990s, and the loss of a national plan for development which, in negotiations, came in favour

of reinscribing Brazil's subordinate position in the international division of labour as a purveyor of primary and raw materials. Reflecting on the emphasis given by Brazilian negotiations to US market access for Brazilian agricultural products, one journalist bitterly commented, 'Brazilian industry is living through a nightmare with constant falls in production. No one even speaks about productivity anymore' (Braga, 2002). The same actors contrasted neoliberal free trade with an alternative based on the recovery of a viable project for national development with (industrial) workers as central subjects, and the State firmly in the role of economic steering; but here, a national plan without the violence, the repression of worker militancy and wages, and the cooptation of the union movement associated with the military dictatorship. Here, the alternative isn't anti-capitalist, but anti-dependency, and 'alternative' regional integration is seen as a platform of support for 'autonomous' national development and a buffer to international capital; hence the support amongst Southern Cone unions for an 'alternative' version of Mercosul.

But a mirror to this image was held up by workers in the peripheries of the labour movement who, once again, insisted on putting the particularities of Brazilian social relations back in the picture. In this context, they were critical of a return to the national plan, or some approximation of social democracy and the version of class consensus that had been achieved in the North. They often referred to the historical precedents of one aspect or another of the current crisis of labour; elements which, rather than fading in Brazil's moment of 'emergence', have only been written out the narrative of the current conjuncture. Some even attributed the very strength of opposition to the FTAA in terms of the campaign's groundings in the realities of those 'excluded' from the formal economy. As Téo Chaves (2006) told me, 'For you to create

a great movement that draws on the union movement, it has to call people's attention to this phenomenon of unemployment ... to show that unemployment isn't a sign of dysfunction. It is a necessity of the capitalist system.'

Conclusions.

On both sides of the debate, activists in the Brazilian campaign saw themselves working towards an exit strategy to the crisis of labour more generally, rather than simply trying to stop the ratification of a trade agreement. It is in this sense, and due to this line of questioning and debate, that the FTAA struggle is important. Activists with the North American trade networks often remarked that North America has often acted as a laboratory for neoliberal governance. I would say that Brazilian workers show that Latin America has often been a laboratory for superexploitation, and that the region in the current conjuncture illustrates the extremes of the already exploitative, destructive relationship between capital and labour dreamed about by free trade advocates. Neoliberal ideology came to naturalise these extremes as they became intrinsic to the reorganisation of financial and productive investment in the late 20th century; and this, often with the tacit support of contemporary theorists of 'globalisation' on the left who downplay the specific role of Southern low wage labour in global accumulation strategies. In so far as the current financial crisis has started to bring these extreme experiences back up North, we should perhaps start looking past these theorists to experiences of anti-capitalist and -imperialist struggle, and even the theory-making that follows, in the South.

The transnational campaign that emerged to counter the project of the FTAA was one of the most intriguing moments of the global justice movement both in terms

of its sheer scope and its contribution to the stalling of negotiations in 2005. The campaign appeared, on one hand, to challenge the limitations of liberal identity politics that sees citizens competing for recognition, representation and resources by petitioning an unmarked centre of power, while also trying to turn around the paralysis of union movements in the moment of the fragmented subject and heightened global competition, all by following a very simple, elegant principle: that the only logical response to the pitting of citizens and workers as competitors in the marketised public sphere is to start to identify our 'interests' and struggles for liberation with those with whom we are meant to be in competition.

In this context, while only a campaign, the movement at once signalled the need for new instruments of workers' struggle in keeping with the times *and* drew attention to some very old arguments, raised against very old issues. In both instances, this has to do with the unity of the working class. In Marx's (1974) description of the general law of accumulation, the industrial reserve army of early industrial Britain was not simply an unpleasant offshoot of exploitation in the formal labour process. Rather, as Antunes (2003) argues at the outset of this paper, it is integrally linked. In Brazil, the new reserve army is more numerous, complex and dynamically linked to formal sectors of the economy than ever before, and central to the current regime of accumulation. And crucially, for Marx and for members of the FTAA campaign, they're all workers. Rather than an ethical point, or a petition for inclusion, at issue is the need to recognise the current contours of the working class in its totality, and devise instruments of mass struggle that fit the bill. Amongst other, a real international capable of hitting capitalist imperialism at a structural level.

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ⁱ All translations in this text, and related errors, are my own.

ⁱⁱ On a related note, for recent data on declining profit rates in Brazil over the last half century, see Marquetti et al., 2010.

ⁱⁱⁱ Compare to the structuralists of the UN Commission for Latin America and the Caribbean (CEPAL) a generation earlier, and the reformist wing of the dependency school, including Fernando Henrique Cardoso and Enzo Faletto (1979), for whom external constraints on capitalist development could be overcome through, amongst other things, the emergence of an 'independent' national bourgeoisie. In contrast, Marini (2005) saw dependency as 'a relation of subordination between formally independent nations, in which frame national relations of production are modified or recreated in order to secure the reproduction of dependency' (p.141). Rather than moving nations like Brazil towards some independent footing in the global economy, integration with global finance capital, investment and markets will only serve to reproduce dependency, particularly if the social relations underpinning that dependency are not abolished.

^{iv} An expression of this came in the rejection by the Brazilian (and other) governments' of the proposal of the Clinton regime (coming from Congress and the AFL-CIO) to include core environmental and labour standards in the text of the FTAA. Rejected on the grounds that such measures would operate as protection to US production and jobs while, and this part was unspoken, undermine the relative advantage of sectors the Brazilian economy that rely on low-wage labour, and all in the moment when Brazil is facing increasing competition from China and India. The Brazilian government argued that the appropriate forum to address labour rights was the ILO (a forum where norms were relatively unenforceable) rather than the FTAA, where a breach of

labour rights could have trade-related consequences See Weintraub (2001) and FTAA (2001).