

**TRADE UNIONS, UNEMPLOYMENT AND
WORKING CLASS FRAGMENTATION IN SPAIN**

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Introduction¹

In this paper, we seek to examine the contemporary crisis of Spanish trade unionism. As elsewhere, the 1980s and 1990s proved to be an extraordinarily difficult period for the unions in Spain. A combination of changes - economic, industrial, technological and (in some cases) political - have undermined the traditional foundations of trade unionism and, in doing so, restructured its relationship with the national workforce as a whole. In this sense, the "crisis of organised labour" in Spain is broadly typical of that in other advanced capitalist countries. Nonetheless, certain developments within the Spanish labour market during the last twenty years have presented the unions with particularly grave challenges. Persistently high levels of unemployment and a massive growth (since the mid-1980s) of temporary work have created a sharply segmented, or dualized, labour market between on the one hand, *insiders* - those workers in relatively stable and secure employment - and on the other, *outsiders* - those in a fundamentally insecure and precarious working situation. This growing division within the national workforce appears to have threatened both the ability and willingness of Spanish trade unions to represent the interests of its historic constituency - the "working class" - as a whole. In this paper, we seek to assess the degree to which this is indeed the case: *is* a distance opening up between the unions and elements of what is an increasingly fragmented workforce? Specifically, are there significant differences between the way in which insiders and the growing army of outsiders relate to the unions?

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The paper is organized as follows. In Part One, as a means of placing the Spanish case in comparative context, we present a brief general review of the international trends affecting the fortunes of contemporary trade unionism. In addition, we seek to relate such trends to continuing debates on the fragmentation of the working class in advanced capitalist societies. In Part Two, we look in detail at the process of labour market segmentation in Spain, and the nature of the insider-outsider division in the Spanish context. In particular, we analyse the profile and structure of both unemployment and temporary work in Spain as a means of determining both the class character and, critically, the *interrelated* nature of both phenomena. In Part Three, we assess the implications of such labour market segmentation for the relationship between the unions and the workforce as a whole. In particular, we attempt to explain the logic of the unions' response to high levels of unemployment and temporary work, before assessing how the insider-outsider division has affected the way in which workers relate to the unions. Finally, we present a concluding section in which we emphasise issues that merit further research.

PART ONE: TRADE UNIONISM AND WORKING CLASS FRAGMENTATION

1.1. The Undermining of Contemporary Trade Unionism

Trade unions throughout the advanced capitalist world have faced multiple challenges during the 1980s and 1990s. A combination of economic, political, industrial and technological changes have combined, in different ways and to different degrees, to undermine the foundations which had supported trade unions for much of the postwar period. After three decades of growth and consolidation, the 1980s and 1990s have been a period, for most national trade union movements, of decline and retreat.

The reasons for the seemingly international retreat of organised labour are complex and manifold, and are the subject of much debate. In an adverse economic and political environment, the unionized sections of national workforces have not only been depleted but recomposed and fragmented. Structural economic change, generally higher rates of unemployment, pressures from employers for greater productivity and flexibility and in some cases (notably Britain and the USA) politically hostile legislation have not only led to membership losses, but served to divide the ranks of what remains of the unionised workforce. Thus the contemporary period has been characterised by declining union membership levels, declining rates of unionisation, declining political and industrial power, and growing divisions - between and within rival national confederations, between national and local unions, between blue-collar and white-collar labour, between unions in declining economic sectors and those attempting to organise in growing sectors and, indeed, within individual (general or industry-specific) unions. This crisis of solidarity has been accompanied by a crisis of identity as the male, blue-collar, industrial worker has, in the face of the relative rise of white-collar unionism, and the relative increase in the proportion of women trade unionists, lost his prominence as the traditional mainstay of trade unionism. In sum, therefore, *unionized* labour itself is an increasingly beleaguered and heterogenous group beset by division and fragmentation (Richards 1995).

At the same time, however, changes in the structure of the labour market and persistently higher rates of unemployment have led to the emergence of an insider-outsider division within national workforces, and have accentuated (by extension) the divide between unionised and non-unionised workforces. Thus high rates of unemployment throughout the advanced capitalist world in the 1980s and 1990s not only sapped the bargaining strength of unions and deprived them of members, but tended to be concentrated in areas characterised, traditionally, by high rates of union density, such as heavy industry and manufacturing. In both absolute and relative terms, the manufacturing sectors of most advanced capitalist countries shrank considerably during the early 1980s and showed few signs of

robust recovery thereafter. Levels of employment slumped, while the percentage of workers employed in manufacturing declined steadily throughout the 1980s. Such a trend ensured that unions based in these sectors suffered steady (and in some cases, staggering) membership losses.

The decline of manufacturing and heavy industry not only undermined the traditional base of trade unionism, but changed the very structure of employment itself, with further adverse consequences for trade unions. In the 1970s, trade unionism had been underpinned by "well-organized, male full-time workers, employed in large manufacturing plants" (Winchester 1989:514). In contrast, the 1980s saw an explosion of part-time, temporary and relatively insecure jobs (especially amongst women and the young) located in smaller and more dispersed workplaces - all of which, as many authors point out, have been traditionally weak areas of union organization (Green 1992; Hyman 1992; Fulcher 1991; Coggins *et al* 1989; Salvatore 1992; Kern and Sabel 1991; Richards 1995). As such, as Hall (1987:14) writes,

"nonunionized sectors employing many more part-time workers in small establishments and service occupations now constitute the fastest-growing segments of the economy. Hence, women, part-time employees, and workers in services or small industrial establishments, who were formerly marginal to the organized working class, form a growing portion of the labour force".

During the 1980s, therefore, a growing division emerged between unionised and non-unionised sections of national workforces (Hyman 1992:151). Continuing structural and compositional changes created a core of insiders - relatively skilled, full-time unionised workers - and a periphery of outsiders - those in relatively insecure (temporary and/or part-time), semi-skilled, low-paying, non-unionised jobs (Crouch 1986:7; Hall 1987:10-11; Pérez-Díaz 1987:118; Taylor 1993:146). General management drives for flexibility, moreover, accentuated the division. In essence, managers have sought to "isolate a core of privileged employees" (Boreham and Hall 1994:334), involving the "functional flexibility of multi-skilled 'core' workers in full-time employment, and the numerical flexibility provided by

the employment of trainee, part-time, temporary, or subcontracted workers. Such tendencies divide labour and set up barriers to its effective organization" (Fulcher 1991:255; see also Lane 1989).

Furthermore, pressures of economic decline, managerial aggression, rising unemployment and the loss of industrial and political muscle tended to promote organizational defence as a key union priority. This undoubtedly led to increased inter-union conflict as unions sought to compensate for membership losses by encroaching on other unions' territory (Winchester 1989:505-510). More importantly, though, it exacerbated divisions between the unionised and non-unionised workforces. Hall, for example, notes how management drives for flexibility intensified "the cross-cutting pressures that unions already feel between the demands of their core constituency, who are employed, and the broader penumbra of the working class that is under- or unemployed" (1987:10). Crouch argues in similar terms that "if unions primarily represent the secure work force, their co-operation in restructuring may be bought precisely by requiring insecure groups to bear the brunt of adjustment" (1986:8). Pérez-Díaz also observes that "in hard times [trade unions] have closed ranks and established a clear hierarchy of priorities at the expense of those below" (1987:118).

1.2 Trade Unions and Working Class Fragmentation

In such an environment of division and fragmentation, the crisis of trade unionism revolves around its ability and/or willingness to speak for, or defend the collective interests of, workers as a whole. *Is there a collective interest to be articulated and defended, or do unions effectively defend the interests of a relatively privileged section of the workforce?*

We argue, along with many others, that these questions should be posed and answered in the context of ongoing changes in the class structure of late industrial societies and, more specifically, the (alleged) fragmentation of the working class. Even prior to the 1980s, Hobsbawm (1978) warned in an influential essay that the working class was riven by increasingly serious conflicts of interest. The events of the 1980s merely reinforced his conviction that "workers are crumbling into groups with diverging and contradictory interests" (1989:74). In particular, the demise of blue-collar labour is seen as especially damaging for the foundations of trade unionism, and a dramatic manifestation of the wider process of working class fragmentation. As Hyman (1992:153) points out, the old 'smokestack' industries are "typically seen as a natural generator of solidaristic collectivism". With the sharp decline of several traditionally militant occupations, the 1980s bore witness to the disappearance of what has variously been termed the "classic labour movement" (Hobsbawm 1989), the "core working class" (Lash and Urry 1987:5) or the "quintessential" members of the working class (Hall 1987:14). This, moreover, was no mere quantitative change, but represented the demise of a set of powerful traditions and cultures within the labour movement. As such, some authors have pinpointed the 1980s as a decade in which organised labour's historic role as a class-conscious *movement* was lost for ever. Touraine, for example, explicitly links the decline of a "class conscious labor movement" to the "disintegration of the "classic" working class .. the very basis of class consciousness is disappearing and the labor movement is being replaced by interest group unionism" (1986:161).

Yet the implications of the demise of traditional blue-collar labour for working class solidarity are not clear. On the one hand, some have argued that the decline of blue-collar labour and the concomitant rise of white-collar labour do not signal the demise of the working class *per se*. Thus Hobsbawm argues that "the problem is not so much objective de-proletarianization which has been brought about by the decline of old-style industrial labour, but is rather the subjective decline of class solidarity" (1989:73). In addition, those arguing for the growing

"proletarianization" of white-collar labour also dispute the disappearance of the working class *per se* (Aronowitz 1983; Braverman 1974; Kelly 1988).

On the other hand, others argue that the demise of blue-collar labour is *synonymous* with the disappearance of the working class itself. Gorz, for example, argues that developments in late industrial societies have replaced the working class with "a non-class of non-workers or the 'neoproletariat' .. the old working class .. is no more than a privileged minority. Most of the population belong to the post-industrial neoproletariat" (Gorz 1991 cited in Giddens 1987:279; see also Hyman 1992:154). Other authors have also argued, in different contexts, that the former working *class* is, in fact, being broken down into competing groups with no common objective class interest. Thus Lockwood (1989) and Marshall and Rose (1988) have criticised the notion that white-collar labour is being "proletarianized", arguing instead that it is informed by a very different set of interests. Meanwhile, as Fulcher notes, the emerging core/periphery distinction within late industrial workforces has been generalised to the level of the class structure as a whole by the notion of dualism (1991:256). At a minimum, this implies that class-based strategies on the part of unions will no longer suffice as a means for bridging the divide between the increasingly beleaguered ranks of organised blue-collar labour and the growing "disprivileged underclass of employees" (Lane 1989:605).

However, great care must be taken in referring to unions' "class-based strategies" or their alleged "position as the sword and shield of collective interests" (Sabel 1987:45). Working class and trade union division is nothing new: "a mythical belief in some previous golden age of proletarian unity and unproblematic trade-union solidarity distorts our perception of current labour-movement dynamics" (Hyman 1992:166). As such, the historically contingent nature of trade union solidarity has to be acknowledged. History demonstrates that uniting workers in the same industry (let alone different ones), and forging a common class identity, were processes of painstaking construction: "from historical experience we can learn that there are no short-cuts to the identification and (re)definition of interests in a solidaristic manner; it is always necessary to

campaign and struggle for (relative) unity among workers and their organizations" (Hyman 1992:166). And even when established, trade unions have, historically, *divided*, as well as united, workers. The development of unions tended to perpetuate narrower occupational identities rather than broader class identity: "in embracing particular categories of workers as members and excluding others, each union gives institutional reinforcement to certain perceptions of common interest while presenting obstacles to alternative contours of solidarity" (Hyman 1985:105). Even in the best of times, traditional blue-collar unionism, based on the skilled, male, manual working class, was exclusionary in nature (Heery and Kelly 1995:163). In the infinitely worse times of the 1980s and 1990s, such a tendency has been exacerbated - the historic *claim* of union movements to represent, and speak for, the interests of workers as a whole is now severely challenged by changes in the structure of employment outlined here. It is in this context that Hall, surveying Europe in the late 1980s, laments the current inability of organised labour to summon up "moral authority" among national workforces as a whole.

We now turn, in Parts Two and Three, to examining the extent to which trade unions have retained such authority in Spain, where very high levels of unemployment and temporary work have ensured that the insider-outsider division has become particularly acute.

PART TWO: UNEMPLOYMENT, TEMPORARY WORK AND LABOUR MARKET SEGMENTATION IN SPAIN

2.1. Unemployment in Spain

In the ten years following the death of Franco, Spain suffered a crisis of employment which saw the rate of unemployment increase from 5.1% in 1977 to 21% in 1985 (Rhodes 1997:114). Indeed, since the beginning of the 1980s, Spain has consistently suffered the highest levels of unemployment of all the OECD countries. Moreover, despite a strong economic recovery during the second half of the 1980s (in which almost two million jobs were created between 1985 and 1990), the unemployment rate itself never fell below 15% (Jimeno and Toharia 1994:20). When Spain suffered renewed economic recession in the early 1990s, unemployment soared again, climbing in 1994 to 24% of the active population, or 3.7 million people. More than a half (54.6%) of these had been seeking work for more than a year and almost a third (31.7%) for more than two years. At the end of 1996, 3.49 million Spaniards, or 21.7% of the active population, were out of work.² Of these, approximately one million had been looking for work for more than two years (OECD 1988, 1991, 1993, 1995).

In terms of determining the class composition of the unemployed, an important qualification has to be made. A very significant component of unemployment in Spain - some 20% - is comprised of people who have never worked. (Of these, more than 65% are women,³ and more than 75% are under

² *El País*, 10 April 1997. Undoubtedly, this national aggregate figure conceals significant regional variations in the rate of unemployment. In the second quarter of 1995, for example, unemployment varied from 33.3% in Andalucía and 30.5% in Extremadura to 13.8% in the Balearic Islands and 12.6% in Navarre (Chislett 1996:131).

³ As in other countries, the presence of women in the Spanish workforce has increased during the 1980s and 1990s. The female participation rate in the labour force in Spain increased from 26.9% in 1981 to 34.9% in 1993, while women's share of employment increased from 28.76% in 1981 to 33.98% in 1994 (Richards 1995:48-49). Given the growing number of women seeking work, unemployment itself has become an increasingly feminine issue - in 1991, for example, women represented almost 52% of the unemployed, even though they accounted for only one third of those

thirty years of age [see Jimeno and Toharia 1994:124]). In this paper, we will not consider this section of the unemployed but focus, instead, on the remaining 80% of the unemployed with previous work experience. It is only with the latter category of unemployment that it is possible to establish, unequivocally, the relationship between unemployment and social class. In the case of the unemployed who have never worked, the relationship is much more difficult to infer, both technically and conceptually.

We are able to analyse statistically in which occupational categories unemployment is concentrated by obtaining the last type of occupation held by the unemployed with work experience. In Table 1, we have crosstabulated a model of six occupational classes (derived from Goldthorpe's eleven-position scheme [see Erikson and Goldthorpe 1992]) with a dichotomous variable of value "0" if the individual surveyed is working, and "1" if the individual is unemployed. These data refer to the year 1991, when the survey of *Class Structure, Class Consciousness and Class Biography* (CSCCCB) (Carabaña *et al* 1993) was undertaken. This will be the primary source of our statistical analysis.

We present six occupational classes in Table 1. The first category, PAM, encompasses classes I and II of Goldthorpe's scheme - that is, professionals and high-ranking administrators, directors and owners, in both large and small enterprises. The second category, SELFEMP, includes self-employed owners of small enterprises (classes IVa, IVb and IVc in Goldthorpe's scheme). INTERMID represents non-manual workers in administration and business, and service workers (Goldthorpe's classes IIIa and IIIb). SKILLEDMAN includes supervisors of manual work and skilled manual workers (Goldthorpe's classes V and VI). UNSKILLEDMAN represents non-skilled manual workers (Goldthorpe's class VIIa). AGRIFWORK represents agricultural workers (Goldthorpe's class VIIb).⁴

employed. The increasing feminization of unemployment in Spain is partly attributable to the fact that women appear less able to escape unemployment than men. Moreover, their chances of doing so decrease steadily with advancing age (Jimeno and Toharia 1994:37,52).

⁴For each occupational category there are two cells: unemployed and total. In each of the cells of

Table 1. Unemployment by Occupational Classes		
CLASS	UNEMPLOYED	TOTAL
PAM (I, II) % desempleados % de desempleados en clase Residuos Ajustados	4.8% 14.7% -9.7	34.6%
SELFEMP (IVa, IVb, IVc) % desempleados % de desempleados en clase Residuos Ajustados	4.3% 4.6% -5.3	12.0%
INTERMID (IIIa, IIIb) % desempleados % de desempleados en clase Residuos Ajustados	15.0% 32.0% 4.2	24.2%
SKILLEDMAN (V, VI) % desempleados % de desempleados en clase Residuos Ajustados	17.1% 22.2% 4.9	14.7%
UNSKILLEDMAN (VIIa) % desempleados % de desempleados en clase Residuos Ajustados	20.0% 22.2% 6.8	12.6%

the "total" column, the relative proportions of each of the values of our occupational class scheme are shown. These relative proportions are the percentages of each class. Thus we know, for example, that 34.6% of the surveyed individuals who are classified in our scheme belong to the class PAM.

In each of the cells of the unemployed column, which are those most important for our analysis, there are three sets of data. The first show the percentage of individuals in the corresponding category or occupational class who are unemployed - that is, the level of unemployment in each class. The second set of data show the percentage of all unemployed in the survey belonging to the particular class. Thus, for example, in the first cell of the unemployed column, we observe that 4.8% of those individuals classified in the PAM category are unemployed and that 14.7% of all the unemployed in the sample belong to this category. If there were no relationship between unemployment and social class, we would expect the phenomenon of unemployment to be normally distributed in each of the occupational categories. This is the null hypothesis tested in the table. For each of the occupational categories, the table compares, in effect, the level of unemployment to be expected if unemployment was not class dependent. The best means of presenting the statistical weight of the difference between that which is expected according to the null hypothesis and that which is observed is through the adjusted residuals in each cell. The adjusted residuals, the third set of data which appear in each cell, show the statistical probability that the concentration of unemployment by occupational category is random. Given that they are distributed normally, residuals of ± 1.96 signify, with a 95% level of confidence, that the null hypothesis can be rejected. The more the residuals exceed this value, the greater statistical confidence there is for rejecting the null hypothesis that there is no relationship between unemployment and social class.

All tables in the paper conform to the same logic.

AGRIWORK (VIib)		
% desempleados	26.6%	1.9%
% de desempleados en clase	4.4%	
Residuos Ajustados	4.3	
TOTAL UNEMPLOYMENT RATE		11.3%

Source: CSCCCB. 1991. Own elaboration.

Table 1 demonstrates how unemployment is concentrated in commercial, administrative and routine service workers (a rate of 15%), skilled manual workers (17.1%), unskilled manual workers (20%) and agricultural workers (26%). All these rates are significantly higher than that for all the unemployed with previous work experience (11.3%). If we consider the adjusted residuals, we observe that these concentrations of unemployment are in all these cases highly significant in statistical terms. In the case of unskilled manual workers, the residual value of 6.8 underscores their disproportionate level of unemployment. In sum, the table shows that half of unemployment in Spain is concentrated in manual occupations (skilled, unskilled and agricultural) and that 32% of unemployment originates in routine non-manual work in administration, business and services.

If we distinguish by gender, as in Table 2, it can be seen that the total rate of unemployment amongst those with previous work experience is double amongst women (16.3%) than that amongst men (8.3%). Moreover, for men, unemployment amongst commercial, administrative and routine service workers is not significant, thereby indicating that the majority of unemployed in this occupational class are women. This is also a reflection of the differing structures of work between men and women.⁵ Amongst men, unemployment is of a heavily blue-collar nature - 65.3% of unemployed men come from manual work, against 19.2% from routine non-manual work. In comparison, the division for women is more even - 42% of unemployed women come from routine non-manual work and 35.8% from manual work.

⁵The fundamental difference between the occupational structures of men and women in Spain is rooted precisely in their respective proportions of routine non-manual work and manual work. Thirty-four per cent of the active female population is employed in, or comes from, routine non-manual occupations, compared to only 18% of the active male population. Conversely, only 20.5% of active women are manual workers compared to 34.7% of active men (see Table 2).

Table 2. Unemployment by occupational classes by sex		
MEN		
CLASS	UNEMPLOYED	TOTAL
PAM (I, II)		34.0%
% desempleados	3.2%	
% de desempleados en clase	13.1%	
Residuos Ajustados	-6.7	
SELFEMP (IVa, IVb, IVc)		13.5%
% desempleados	1.4%	
% de desempleados en clase	2.3%	
Residuos Ajustados	-5.0	
INTERMID (IIIa, IIIb)		17.9%
% desempleados	8.9%	
% de desempleados en clase	19.2%	
Residuos Ajustados	.6	
SKILLEDMAN (IVc, V)		20.4%
% desempleados	13.3%	
% de desempleados en clase	32.9%	
Residuos Ajustados	4.7	
UNSKILLEDMAN (VIIa)		12.0%
% desempleados	18.0%	
% de desempleados en clase	26.3%	
Residuos Ajustados	6.7	
AGRIWORK (VIIB)		2.3%
% desempleados	21.7%	
% de desempleados en clase	6.1%	
Residuos Ajustados	3.8	
TOTAL UNEMPLOYMENT RATE FOR MEN		8.2%
WOMEN		
CLASS	UNEMPLOYED	TOTAL
PAM (I, II)		35.6%
% desempleados	7.3%	
% de desempleados en clase	16.6%	
Residuos Ajustados	-7.3	
SELFEMP (IVa, IVb, IVc)		9.7%
% desempleados	10.6%	
% de desempleados en clase	6.3%	
Residuos Ajustados	-2.0	
INTERMID (IIIa, IIIb)		34.1%
% desempleados	20.0%	
% de desempleados en clase	42.0%	
Residuos Ajustados	3.0	
SKILLEDMAN (IVc, V)		5.9%
% desempleados	37.8%	
% de desempleados en clase	13.8%	
Residuos Ajustados	5.9	
UNSKILLEDMAN (VIIa)		13.5%
% desempleados	22.8%	
% de desempleados en clase	19.0%	
Residuos Ajustados	2.8	
AGRIWORK (VIIB)		1.1%
% desempleados	42.1%	
% de desempleados en clase	3.0%	
Residuos Ajustados	3.1	
TOTAL UNEMPLOYMENT RATE FOR WOMEN		16.3%

Source: CSCCCB. 1991. Own elaboration.

In sum, our analysis of the CSCCCB survey data demonstrates that unemployment is concentrated in those occupations requiring no special market capacity and amongst workers whose position in the labour market - given that they possess neither means of production, organizational goods nor skills that are particularly in demand - depends almost exclusively on the sale of their labour (Polavieja 1996a:4-6). Unemployment is therefore significantly concentrated in those occupational categories requiring low or unskilled routine work and among these (by virtue of the weight of men in the occupational structure) fundamentally in manual occupations. Indeed, the latter, in 1991, accounted for 50% of the unemployed. Moreover, these occupations, as we now describe, are also those that suffer most from temporary work.

2.2 *Temporary work in Spain*

In 1984, after eight years of crisis in which 1.9 million jobs were lost, and at the same time that the unemployment rate exceeded 20% for the first time, the temporary contract was introduced in Spain through the *Reforma del Estatuto de los Trabajadores*. This reform aimed to liberalize what was considered to be a particularly rigid labour market as a means of facilitating the creation of employment. Today, thirteen years later, Spain not only continues to have the highest unemployment rate of the OECD countries but also the highest level of temporary work - currently, 33.69% of the salaried workforce (3.185 million out of 9.455 million) have a temporary contract.⁶

⁶ *El País*, 13 April 1997. In terms of the occupational breakdown of temporary work, Jimeno and Toharia (1994:18,99) found that in 1991 the highest proportions of fixed-term contracts were in agriculture and fishing, followed by construction. In addition, though, a high level of temporary work existed in manufacturing, trade, communications, transportation and services.

The introduction of temporary contracts in Spain in 1984, together with worldwide economic recovery and Spain's entry into the European Community in 1986, led to, in fact, the creation of 1.7 million jobs between 1985 and 1991 at a rate unknown even in the years of highest economic growth in the 1960s (Toharia 1994:112). There is no doubt, therefore, that flexibilization of the labour market increased the sensitivity of employment to the economic cycle and facilitated the creation of employment in growth years. By the same token, however, when the effects of the worldwide economic recession of the early 1990s hit the Spanish economy in 1993, levels of employment fell dramatically once more - a trend which has only begun to reverse itself in the past year.

What has emerged during the past thirteen years has been a constant process of dualization of employment whereby the effects of the variability of the economic cycle have been concentrated on temporary workers. The level of temporary work amongst the newly employed - those who one year earlier were looking for work - rose from 61% in 1987 to 81.5% in 1990. This gives us a clear idea of how the spectacular increase in employment in this period consisted, fundamentally, of an increase in temporary contracts. The proportion of the active population on temporary contracts doubled between 1987 and 1990, from 15% to 30% (See Bentolila, Segura and Toharia 1991:237-238; Jimeno and Toharia 1994:chs.1 and 4). Since the mid-1980s, temporary contracts have accounted for more than 90% of all employment contracts signed each year (Lucio and Blyton 1995:351); conversely, indefinite contracts have accounted for only between 3% and 4% of the total awarded each year.⁷

Meanwhile, data from the Ministry of Labour's National Institute of Employment (INEM) for 1987 show that even then, the average duration of temporary contracts to promote employment was 17 months, less than half the maximum legal period of three years (Bentolila, Segura and Toharia 1991:237-238). In 1991, in the case of employment creation contracts (*contratos temporales*

⁷ *El País*, 10 April 1997.

de fomento al empleo) - which accounted for approximately 20% of all employment contracts registered with INEM - nearly 90% had a duration of no more than six months. Furthermore, contracts for specific services (*contratos para obra o servicio*) and casual contracts (*contratos eventuales*) - neither of which were subject to any specific legal minimum period - accounted for 60% of all new registered employment contracts (Lucio and Blyton 1995:351). By 1996, some 96% of new contracts signed were temporary. Of those contracts signed for a fixed term, 70% were for a duration of less than three months, with only 0.4% for a duration of more than one year. Of the 14 types of contracts available, 80% of new contracts signed in 1996 came under the three categories of casual work (*contratos eventuales*), contracts for work or services (*contratos por obra o servicio*) and part-time contracts (*contratos a tiempo parcial*) (EIRR 1997:25).

The evidence suggests that this general trend towards the widespread use of temporary contracts is becoming an entrenched feature of the Spanish labour market. Fixed-term contracts have become the normal means of entry into the labour market, while the rate at which they are converted into permanent employment remains very low (Jimeno and Toharia 1994:111). For example, between the second third of 1987 and the second third of 1988, when levels of employment in Spain were increasing, only two out of ten temporary contracts were converted into permanent contracts. Subsequent data suggest that the rate at which temporary contracts were converted into permanent contracts decelerated after this time (Garrido and Toharia 1991:75). Moreover, Jimeno and Toharia have established that "new employees" - that is, those who have just entered the labour market - have a much higher incidence of fixed-term contracts than more senior workers. Yet at the same time, the percentage of senior workers with fixed-term contracts has also increased, indicating that temporary work has become a lasting phenomenon. In addition, the probability that workers employed on fixed-term contracts will continue in this situation has increased relative to that of gaining permanent status. Fixed-term contract workers also tend to be younger than those on permanent contracts; this age difference appears to be increasing over time

with respect to male workers. In sum, these authors conclude that fixed-term contracts have become the normal entry pattern into employment (1994:99).

Conversely, though - and critical for the purposes of our paper - temporary work has become the principal means of exit *out of* employment. Indeed, increasing numbers of workers move back and forth between unemployment and temporary work. Between 1987 and 1990, the termination of fixed-term contracts accounted for increasing proportions of those moving from employment into unemployment. The proportion of those becoming unemployed who had been in their jobs less than one year increased from 56% in 1987 to 64% in 1990. The flow of people leaving employment to become unemployed was composed increasingly of people who had had fixed-term contracts for less than one year. In contrast, *dismissals* - that is, unemployment associated with the loss of permanent jobs - have become less important (Jimeno and Toharia 1994:41). Indeed, in 1991, when levels of unemployment were in fact at their lowest for the last thirteen years, and during a high point in the economic cycle, 60% of unemployment originated in the termination of temporary contracts (see the *Encuesta Sociodemográfica*, in Argentina 1995:57-59). Seasonal contracts alone (temporary contracts characterised by their brevity) accounted for 17.5% of the unemployed with previous work experience. Furthermore, 65% of the longer-term unemployed were without work due to the termination of temporary contracts (Argentina 1993:81-82,86; Argentina 1995:51-64). Not surprisingly, in 1991 almost 90% of temporary workers wanted a permanent contract, against only 0.4% of those declaring that they did not want stable employment (Archanco 1993:53).

In Table 3, we attempt to measure the relationship between temporary work and occupational class. This time, we have opted for a more detailed occupational model which, logically, includes only those in employment. We thus distinguish between PAM I, which includes professionals and managers of large enterprises (Goldthorpe's Class I), and PAM II, which includes professionals and managers of enterprises employing fewer than 25 people (Goldthorpe's Class II). We also distinguish between WHITECOLLAR, routine non-manual workers in

administration and business (Goldthorpe's Class IIIa), and SERVWORK, routine workers in services (Goldthorpe's Class IIIb). Finally, we distinguish between FOREMEN, supervisors of manual workers (Goldthorpe's Class V), and SKILLEDMAN, skilled manual workers (Goldthorpe's Class VI).

The data show that temporary work is concentrated in the least favoured occupations. In 1991, 52% of temporary contracts in Spain were in manual occupations, even though the latter (as Table 1 demonstrates) account for only 29.2% of all occupations. Blue-collar manual workers alone accounted for 45% of all temporary work in Spain, while agricultural workers accounted for 7%. If we consider levels of temporary work by occupational class, approximately 40% of both skilled and unskilled manual workers and workers in routine services (for example, waiters, domestic services workers, security guards) had temporary contracts - a proportion ten percentage points above the average for the survey.⁸

⁸In the case of agricultural workers, owing to the strongly seasonal nature of their work, the level of temporary work soared to 67%.

In addition, differences by gender may be observed. Amongst women, no significant concentration of temporary work is observed in the category of skilled manual work. However, a significant level of temporary work - 38.8% - is observed in routine commercial and administrative occupations.

Table 3. Fixed-term contracts by occupational classes		
CLASS	TEMPORARY	TOTAL
PAM I (I) % con contrato temporal % de temporales en clase Residuos Ajustados	1.0% .2% -11.6	7.2%
PAM II (II) % con contrato temporal % de temporales en clase Residuos Ajustados	20.3% 16.4% -8.3	24.6%
WHITECOLLAR (IIIa) % con contrato temporal % de temporales en clase Residuos Ajustados	32.5% 25.0% 1.5	23.5%
SERVWORK (IIIb) % con contrato temporal % de temporales en clase Residuos Ajustados	41.6% 5.0% 3.0	3.7%
FOREMEN (V) % con contrato temporal % de temporales en clase Residuos Ajustados	13.5% 1.6% -4.7	3.7%
SKILLEDMAN (VI) % con contrato temporal % de temporales en clase Residuos Ajustados	39.7% 20.2% 5.5	15.6%
UNSKILLEDMAN (VIIa) % con contrato temporal % de temporales en clase Residuos Ajustados	40.8% 24.7% 6.8	18.5%
AGRIWORK (VIIB) % con contrato temporal % de temporales en clase Residuos Ajustados	67.4% 6.9% 9.3	3.1%
TOTAL RATE OF FIXED-TERM CONTRACTS		
30.6%		

Source: CSCCCB. 1991. Own elaboration.

In addition, as we show in Table 4, there are clear gender differences with respect to temporary work. The rate of temporary work amongst women is ten points above that for men. Amongst women, no statistically significant level of temporary work is observed in the category of skilled manual work.⁹ In the

⁹However, the highest level of unemployment amongst women is found precisely in the category of skilled manual work. It is very possible, therefore, that an important proportion of unemployed women in this category are so after a long period of inactivity. Unfortunately, the CSCCCB data do not enable us to test this hypothesis.

category of routine personal services, the level of temporary work amongst women is no less than 60%, whereas for men the level falls to 32.7% (which is not statistically significant). The data therefore again reflect the different occupational structures of men and women, at the same time as confirming Archanco's conclusion that as much for men as for women, temporary work is concentrated in those occupations most vulnerable to unemployment and least valued in the labour market (1993:57).

Table 4. Fixed-term contracts by occupational classes by gender		
MEN		
CLASS	TEMPORARY	TOTAL
PAM I (I)		11.3%
% con contrato temporal	10.2%	
% de temporales en clase	4.3%	
Residuos Ajustados		-6.5
PAM II (II)		20.9%
% con contrato temporal	11.0%	
% de temporales en clase	8.5%	
Residuos Ajustados		-8.9
WHITECOLLAR (IIIa)		16.7%
% con contrato temporal	23.2%	
% de temporales en clase	14.4%	
Residuos Ajustados		-1.8
SERVWORK (IIIb)		4.4%
% con contrato temporal	32.7%	
% de temporales en clase	5.4%	
Residuos Ajustados		1.4
FOREMEN (V)		5.6%
% con contrato temporal	12.9%	
% de temporales en clase	2.7%	
Residuos Ajustados		-3.7
SKILLEDMAN (VI)		21.3%
% con contrato temporal	41.6%	
% de temporales en clase	33.1%	
Residuos Ajustados		8.4
UNSKILLEDMAN (VIIa)		16.3%
% con contrato temporal	40.6%	
% de temporales en clase	24.7%	
Residuos Ajustados		6.6
AGRIWORK (VIIb)		3.4%
% con contrato temporal	54.3%	
% de temporales en clase	7.0%	
Residuos Ajustados		5.7

TOTAL RATE OF FIXED-TERM CONTRACTS FOR MEN		
26.9%		
WOMEN		
CLASS	TEMPORARY	TOTAL
PAM I (I) % con contrato temporal % de temporales en clase Residuos Ajustados	27.3% 3.3% -2.1	4.6%
PAM II (II) % con contrato temporal % de temporales en clase Residuos Ajustados	21.9% 15.0% -8.4	25.8%
WHITECOLLAR (IIIa) % con contrato temporal % de temporales en clase Residuos Ajustados	39.5% 33.0% 1.1	31.5%
SERVWORK (IIIb) % con contrato temporal % de temporales en clase Residuos Ajustados	60.0% 4.1% 3.3	2.6%
FOREMEN (V) % con contrato temporal % de temporales en clase Residuos Ajustados	24.0% .8% -1.4	1.3%
SKILLEDMAN (VI) % con contrato temporal % de temporales en clase Residuos Ajustados	35.0% 7.7% -.7	8.3%
UNSKILLEDMAN (VIIa) % con contrato temporal % de temporales en clase Residuos Ajustados	47.8% 29.4% 5.0	23.2%
AGRIWORK (VIIb) % con contrato temporal % de temporales en clase Residuos Ajustados	88.9% 6.6% 7.9	2.8%
TOTAL RATE OF FIXED-TERM CONTRACTS FOR WOMEN		
37.7%		

Source: CSCCCB. 1991. Own elaboration.

We see, therefore, that unemployment and temporary work are concentrated in very similar occupational classes; this is as much the case for women as it is for men. Moreover, the two phenomena are interrelated. Unemployment by class and temporary work by class represent, in fact, two points in the same dynamic sequence - that is, the same trajectory of precariousness running between temporary work and unemployment.

Unfortunately, given the absence of longitudinal data in the CSCCCB survey, the analysis of such precariousness as a dynamic phenomenon - that is, as a flow back and forth between temporary work and unemployment - can only be deduced from the static data presented thus far. Nonetheless, we have attempted to deduce the dynamic character of the relationship between temporary work and unemployment by means of regression analysis. In Table 5, we present the results of a regression model which attempts to explain the probability that the last contract of an individual active in the labour market is (or has been) temporary, against the probability that it is (or has been) permanent. The model, robust in statistical terms, demonstrates the existence of a flow between temporary work and unemployment, at the same time as confirming the relationship between labour market precariousness and social class (when other explanatory variables are controlled for).

Table 5. *Logistic model. Probability of fixed-term contract*

Logit Estimates			Number of obs = 1255			
			chi2(13) = 737.21			
			Prob > chi2 = 0.0000			
			Pseudo R2 = 0.4720			

Log Likelihood = -412.28318						
eventual	Odds Ratio	Std. Err.	z	P> z	[95% Conf. Interval]	

woman	1.127705	.0540751	2.506	0.012	1.026548	1.238831
age	.9634521	.010945	-3.277	0.001	.9422372	.9851446
PAM II	1.013526	.3660501	0.037	0.970	.4993564	2.057118
WHITECOLL	1.106877	.3949056	0.285	0.776	.5500625	2.22734
SERVWORK	1.011973	.523591	0.023	0.982	.3670798	2.789827
IFOREMEN	1.311494	.8523396	0.417	0.676	.3669194	4.687723
SKILLDMAN	1.870267	.7291952	1.606	0.108	.8710238	4.015846
UNSKILLED	2.444646	.9200421	2.375	0.018	1.16914	5.111702
AGRIWORK	9.295976	7.266795	2.852	0.004	2.008625	43.02206
unemployed	3.62733	.7497641	6.234	0.000	2.419051	5.439128
unempreg	1.623721	.3797263	2.073	0.038	1.02671	2.567881
yearswrk	.7224899	.0202627	-11.590	0.000	.6838476	.7633159
married	.5191114	.1302028	-2.614	0.009	.3175143	.848707

Source: Sub-sample of the CSCCCB, 1991. ACTIVE POPULATION. (Own elaboration)
See statistical tests in the appendix.

The model, developed from a sub-sample of the active population of the CSCCCB survey of 1991, predicts that the probability of having a temporary contract increases if one is a woman; if one is young; if one is single; and if one has

spent little time in the enterprise (see the variable *yearswrk*). Conversely, the longer one has spent in the enterprise, the greater is the possibility of having a permanent contract. In addition, when controlling for all these variables, the model predicts that the probability of having temporary work increases if one is a skilled manual worker (category 6)¹⁰, increases further if one is an unskilled manual worker (category 7), and increases still further if one is a manual agricultural worker (category 8).

Finally, the model presented in Table 5 incorporates two variables with which a clear relationship between temporary work and unemployment may be deduced: *unempreg* and *unemployd*. *Unempreg* is a dummy variable which enables us to determine how the probability of having temporary work varies with the level of regional unemployment. Through the introduction of this variable, we deduce that the probability of having, or having had, temporary work increases if the individual lives in a region whose rate of unemployment exceeds the national average. More definitively, the introduction of the variable *unemployd* enables us to confirm that the experience of temporary work is greater amongst the unemployed than those in employment. That is, it is statistically more probable that the last contract of a surveyed individual has been a temporary one if that individual is unemployed than if he or she is still working. Both variables therefore underscore again the flow between temporary work and unemployment.

The results of our regression analysis, taken together with the data presented in Tables 1, 2, 3 and 4, lead us to emphasize three findings. First, there is a clear relationship between temporary work and unemployment. Second, there is a flow of workers back and forth between temporary work and unemployment. Third, this flow - or *trayectoria precaria* - is a phenomenon taking place fundamentally amongst manual working class occupations.

¹⁰At a 90% level of confidence.

It is important to place these findings in the context of the dramatic growth of temporary work in contemporary Spain. Indeed, the sheer scale of temporary work in Spain, as we have emphasized, is without parallel in the rest of Western Europe (Jimeno and Toharia 1994:96).¹¹ This has had profound consequences for the structure of the labour market. As such, Spain is a particularly acute example of the general international trend towards labour market dualization to which we referred in Part One. There now exists a profound segmentation of Spanish workers (Rhodes 1997:114) between, on the one hand, *insiders*, on permanent contracts, with a more stable, secure and long-term job trajectory, and on the other hand, *outsiders*, who are in a much more precarious situation, moving constantly between temporary work and unemployment. Comparing both groups, we emphasise the following differences:

1) The fact that temporary contracts involve substantially lower firing costs than typical permanent contracts has generated a two-tier system in employment relations (Jimeno and Toharia 1994:96). In addition, there is strong evidence of wage discrimination against outsiders. The latter, when they work, are less likely to have access to the wage-related benefits (bonuses, incentives etc.) which insiders enjoy. Moreover, for the same work, outsiders may earn lower wages than those determined by collective agreement between unions and employers (Fernández, Garrido and Toharia 1991:74; see also Toharia and Muro 1988, and Albarracín 1990, in Recio 1991:109). Indeed, Jimeno and Toharia (1994:110) argue that workers on fixed term contracts earn approximately 10% less than permanent workers.

2) Outsiders are not entitled to as many welfare benefits as their securely employed counterparts, especially with respect to unemployment insurance (Toharia 1994:115-116; Rojo Torrecilla 1990:33).

¹¹In 1992, the proportion of the working population in Spain on temporary contracts (32%) was nearly four times the EC average of 9% (Lucio and Blyton 1995:351).

3) Since the dismissal costs, and capacity to resist, of outsiders are lower, they suffer harsher working conditions in terms of hours, pace of work, supervision and productivity demands (Argentaria 1995:115-116; Recio 1991; Rojo Torrecilla 1990).

4) The accident rate amongst outsiders is significantly higher than for insiders (Recio 1991).

5) Compared to insiders, outsiders are much less likely to encounter possibilities for promotion and for the acquisition of skills (Rojo Torrecilla 1990).

Such differences are, of course, embedded within a specific framework of industrial relations. As such, the process by which Spanish workers are being segmented may well be affected by the policies of representation adopted by the trade unions. In theoretical terms at least (as we discussed in Part One), a union can develop an inclusive strategy that attempts to represent the interests of all workers, both insiders and outsiders. On the other hand, it can adopt policies that tend to privilege insiders (who are within or near their sphere of influence) to the detriment of outsiders who are thereby abandoned to the ongoing process of labour market dualization.¹² In Part Three, we examine the various dilemmas of Spanish unions in a context of entrenched labour market segmentation.

PART THREE: INSIDERS, OUTSIDERS AND THE TRADES UNIONS IN SPAIN

¹²For an examination of these issues through a detailed study of four large enterprises in the metalworking sector in the Autonomous Community of Madrid, see Iriso (1993).

3.1 *The Problems of Trade Unionism in Contemporary Spain*

How have unions in Spain been affected by the sharp dualization of the labour market between insiders and outsiders? The fate suffered by Spanish unions in the 1980s and 1990s is very much in keeping with that suffered by unions elsewhere, as we described in Part One. However, very high rates of unemployment, the enormous growth of temporary work, and the scale of economic reform and restructuring have presented the Spanish trade union movement with particularly grave challenges.

In overall terms, structural changes in the Spanish economy during the 1980s and 1990s have tended to work against the unions. Industrial restructuring in particular has struck most heavily in sectors of the economy where union strength was greatest, such as steel and engineering, mining, shipbuilding and textiles. Large plants have either shed labour or closed down completely, while some regions (for example, Asturias and Galicia) have witnessed the demise of their principal industries (Estivill and de la Hoz 1990:286-287). The manufacturing sector of the economy - traditionally a source of union strength - also shrank, despite the recovery in levels of employment during the second half of the 1980s. Between 1981 and 1993, the proportion of the Spanish workforce employed in manufacturing fell from 24.03% to 19.9% (Richards 1995:10).

In parallel, the introduction of new technology, the growing prominence of technical and professional staff, and the general shift towards a more service-oriented economy, have placed increasing numbers of wage earners into jobs further removed from the direct sphere of production. Some of the most dynamic sectors of the Spanish economy, such as marketing, planning, financial services, advertising, tourism and food-processing, have very little tradition of trade unionism (Estivill and de la Hoz 1990:287; Jimeno and Toharia 1994:9,16-17). The presence of a substantial underground economy (in industries such as toys, shoes

and textiles) and the prominence of small-scale enterprises¹³ in the Spanish economy represent further obstacles to unionization (Rhodes 1997:114; Rigby and Lawlor 1994:262,266; Estivill and de la Hoz 1990: 287). Overall, it is worth emphasising the differences in the rates of unionization across sectors of the economy. In 1994, rates of unionization stood at 23.3% in the industrial sector, 12.9% in agriculture, 12.3% in services and 10.8% in construction (van der Meer 1995:52-54). Yet at the end of 1996, the service sector employed 63.1% of the salaried workforce, and the industrial sector only 23.3%.¹⁴

In addition, though, to confronting adverse structural change, unions lost power and influence. In the late 1970s and early 1980s, unions were recognised as important and legitimate social actors.¹⁵ In the context of Spain's transition to democracy, their cooperation with, and support for, measures of economic stabilisation were sought by governments and employers alike. Between 1978 and 1986, the unions did, to a remarkable degree, lend critical support to a series of economy-wide agreements relating to wage increases, employment conditions such as productivity increases and worker absenteeism, and the design of the collective bargaining structure and conflict resolution.¹⁶ Most notably - and in sharp contrast to the stance they had adopted in the immediate aftermath of Franco's death - the

¹³In 1994, firms with more than 100 employees accounted for only 8% of the employed in Spain, compared to 28% for the EC as a whole (Rigby and Lawlor 1994:262,266 cited in Richards 1995:18n31). See also note 23.

¹⁴*El País*, 13 April 1997. Construction and agriculture accounted for 9.8% and 3.9% of the salaried workforce respectively.

¹⁵With the 1982 *Acuerdo Nacional sobre el Empleo*, the government directly subsidised the unions, with 800 million pesetas being disbursed in 1982, 1982 and 1984. In 1984, the UGT received a further 1 billion pesetas in subsidies. In 1984, the Organic Labour Relations Act (*Ley Orgánica de Libertad Sindical [LOLS]*) recognised the position of the UGT and the CC.OO. in the industrial relations representative machinery (though excluding, for the most part, minority unions) (Estivill and de la Hoz 1990:279,282,286,293).

¹⁶The most important agreements reached during this period were the Moncloa Pacts of 1978 (signed by the political parties but supported by the unions); the *Acuerdo Marco Interconfederal (AMI)* of 1980 (signed by the UGT and the CEOE); the *Acuerdo Nacional de Empleo (ANE)* of 1982 and the *Acuerdo Interconfederal (AI)* of 1983 (both agreements signed by the UGT, CC.OO. and the CEOE); and the first and second years of the *Acuerdo Económico y Social (AES)* in 1985 and 1986 (both signed by the UGT, CC.OO. and the CEOE) (Jimeno and Toharia 1994:77).

unions adhered to the policies of wage moderation initiated in the Moncloa Pacts of 1978 and subsequently consolidated in 1980, thereby ensuring that Spain was one of the few OECD countries to register a steady decline in real wage rates and unit labour costs during the 1980s (Jimeno and Toharia 1994:71,76). Both the UGT and CC.OO. influenced considerably the contents of the 1980 Workers' Statute (Lucio and Blyton 1995:355). Even more remarkably, the UGT consented to the measures contained in the 1984 *Reforma del Estatuto de los Trabajadores* which paved the way for the subsequent massive growth of low-cost, fixed-term contracts (Rhodes 1997:115).

There were, of course, powerful incentives for the unions to support national measures and mechanisms of concertation. Emerging from four decades of dictatorship, the unions saw concertation with government and employers as a means of consolidating democracy in general, of legitimising themselves as actors in the new regime and of achieving their own consolidation as organisations (Lucio and Blyton 1995:355). Nor could unions afford to ignore the economic context in which they operated - for example, the depths of the economic recession in Spain, and pressure from various groups of workers (especially the young) lay behind the unions' decision to consent to the expansion of fixed-term contracts in 1984. (Though as Rhodes [1997:115] points out, they could not have foreseen at that point that the consequent casualisation of employment would prove highly detrimental to their future strength). In addition, though, the unions saw their own cooperation and support as a *quid pro quo* for gaining both substantive benefits and influence over government employment policy (Rhodes 1997:115; Lucio and Blyton 1995:355).

However, the structural changes in the Spanish economy outlined earlier so weakened the unions that by the mid-1980s the need for either employers or the government to consider the demands of organised labour had diminished considerably. For its part, the PSOE government felt secure enough, with the consolidation of democracy and its own re-election in 1986, to risk its close alliance with the UGT by moving away from the hitherto politically stabilising framework

of concertation and adopting a strategy of relatively strict economic and monetary discipline.¹⁷ (Rhodes 1997:115; Lucio and Blyton 1995:355-356). There were in any case serious differences between the government and the unions on the question of how best to tackle the problem of unemployment. From the mid-1980s onwards, a growing divergence emerged between the unions' demands and the government's policies. For the government, "active" measures adopted to reduce unemployment have been largely confined to the promotion of fixed-term employment contracts (Jimeno and Toharia 1994:128). In contrast, the unions have long advocated a broader range of measures to reduce unemployment, including shortening the standard working week to 35 hours, reducing the use of overtime and promoting work sharing. The joint UGT/CC.OO. *Propuesta Sindical Prioritaria* of 1989 proposed job creation via a shorter working week, earlier retirement, the control and eventual elimination of overtime, greater investment in training and education, and - to enhance job security - tighter controls on temporary employment contracts (the effects of which, in terms of increased job insecurity, were now more than apparent to the unions). These proposals were ignored by employers and the government (Rhodes 1997:111-112,116,119).¹⁸

¹⁷Debate on responsibility, as it were, for the deteriorating relationship between the PSOE government and the UGT in the second half of the 1980s is contentious. For a full-scale analysis of the relationship between the PSOE government and the trade union movement in Spain since the early 1980s, see Javier Astudillo, "Los Recursos del Socialismo", doctoral dissertation in progress, Center for Advanced Study in the Social Sciences, Juan March Institute, Madrid.

¹⁸Rhodes (1997:111-112) reports, though, that average annual overtime hours have been bargained down over the years, albeit with no obvious impact on the rate of unemployment.

3.2. *Labour Market Flexibilization and the Unions' Predicament*

The diverging paths of government and unions, and the latter's loss of influence, have had important consequences. Resentful and frustrated at their inability to influence government policy towards unemployment, the unions' support for concertation in the first half of the 1980s gave way to growing hostility and resistance towards government policy in the second half of the 1980s and early 1990s. This became more explicit as government and employers attempted to implement more radical reforms of the labour market.

Jimeno and Toharia have noted how flexibilization of the labour market was introduced in Spain in a peculiar way - that is, by diminishing the job security of new entrants into employment (via the use of fixed-term contracts) but without diminishing the job security of those already employed on permanent full-time contracts (1994:109). It is the latter group which has become, more recently, a target for further labour market reform. Despite the enormous growth of temporary work over the last ten years, government and employers have increasingly viewed the protection surrounding, and the high dismissal costs associated with, permanent workers as the principal obstacle to greater labour market flexibility. Yet it is from amongst permanent workers that the unions draw their greatest organisational strength. As such, the issue of dismissing permanent workers has emerged as a highly charged sticking point in the labour market reform process in contemporary Spain (Rhodes 1997:118; Estivill and de la Hoz 1990:295).

However, Spanish governments have neither been able nor willing to unilaterally impose major alterations to the existing costs and procedures that protect the core unionised workforce. Union agreement to such reforms has been essential. In this context, it is worth emphasising that while unions ceased to be critical partners for either the state or employers after 1985, they nonetheless retained the ability to resist and sometimes block government policy. Indeed, despite relatively low levels of unionisation in Spain, trade unions have wielded

significant veto power based on their more widespread support via workplace elections, and their capacity (albeit diminished since the late 1980s) for strike mobilisation¹⁹ (Rhodes 1997:118). And the unions have been extremely reluctant to countenance any dismantling of the apparatus protecting the permanent workforce.

The reasons for the tenacity with which the unions have defended the rights and conditions of permanent workers are both historical and organizational. In historical terms, the unions' response to efforts to diminish the job security of permanent workers has, in part, been configured by the nature of state intervention in the labour market during the Franco era. What are now considered by government and employers to be excessive rigidities in the labour market were, in fact, a form of vital (albeit paternalistic) job protection during the dictatorship. In the post-Franco context, however, the unions have used such historic state intervention as the cornerstone of workers' rights - especially in a democracy characterised by persistent high unemployment, enhanced employer power and, in the unions' view, inadequate social welfare provision (Lucio and Blyton 1995:340-349). As such, the unions have been loathe to countenance any dismantling of the protective apparatus surrounding permanent employees inherited from the Franco regime (Rhodes 1997:115; Estivill and de la Hoz 1990:297).

In addition, though, there are powerful organisational reasons for the defence of permanent workers, for it is precisely in this sector of a changing labour market that the unions are most solidly represented. As such, defence of their interests "is the guarantee, in the last resort, of their own survival" (Rhodes 1997:115; see also Estivill and de la Hoz 1990:297).

¹⁹In 1988, the unions succeeded in forcing the government to retreat from a controversial plan for youth employment involving the reduction of employers' social security contributions and fixing payment at the level of the statutory minimum wage. General strikes were organised in May and October 1992 against the modification of entitlements to unemployment benefits to provide, as part of the government's Plan for Economic Convergence, greater incentives to seek work. And in January 1994, a general strike brought Spanish industry to an almost complete standstill to protest against what the unions termed an "unprecedented deregulation of industrial relations" (Rhodes 1997:109,116,118).

However, as many authors have emphasised, "falling back", as it were, on their core constituency has had grave implications for the unions' relationship with the Spanish workforce as a whole. To be sure, unions have persisted in their calls for more radical and interventionist strategies to tackle unemployment, and for greater job security for all workers. Yet whether through choice or force of circumstance, the fact remains that unions have concentrated their efforts on the defence of permanent workers. In doing so, given the structural changes in the labour market that we have described, they have steadily lost contact with, and helped promote the alienation of, a growing proportion of the national workforce. The unemployed, the precariously employed, women and the young are gradually being left out of the predominantly male, blue-collar culture of a trade union movement increasingly confined to the core permanent workforce (Rhodes 1997:115-116; Estivill and de la Hoz 1990:297-298). As such, the unions are implicated in the division between insiders and outsiders. They are vulnerable to the charge (as government and employers have been quick to exploit) that regardless of their own programmatic statements, their defence of the "unsolidaristic" employment rights of their core membership has contributed to the effective exclusion of other categories of workers (Lucio and Blyton 1995:358; Estivill and de la Hoz 1990:298).

In sum, the unions find themselves in a difficult predicament. High unemployment and high levels of temporary work have forced the unions to retreat to their core constituency. Yet defence of the latter is far from compatible, in practical terms, with a general commitment to the reduction of unemployment and the promotion of greater job security. Our evidence strongly suggests that the unions have failed to develop that "single strategic design"²⁰ capable of bridging the divide between insiders and outsiders.

²⁰The phrase is that of Estivill and de la Hoz (1990:287).

3.3. *Labour Market Segmentation and Workers' Involvement with the Unions in Contemporary Spain*

What are the implications of the division between insiders and outsiders for the way in which trade unions in Spain are perceived and evaluated? In this section, we attempt to determine the extent to which the marginalisation suffered by outsiders in the labour market has led to their rejection of the unions. Do "objective" differences between insiders and outsiders produce "subjective" differences in regard to their respective evaluations of the unions, and do these differences affect the behaviour of workers in relation to trade union activity?

The effects of labour market segmentation have tended to be studied in terms of levels of union affiliation. As such, the principal effect, within the realm of trade unionism, of segmentation has been to provoke a growing division of labour in advanced capitalist societies between a core of stable workers (insiders), with generally high levels of affiliation, and a periphery of precarious workers (outsiders), with low or non-existent levels of union affiliation.²¹ However, this perspective poses serious problems in the case of Spain where, given that trade unionism is characterised as one more of "voters" than of "membership" (Martín Valverde 1991:24-25; Martínez Lucio 1993:500-501), the level of union affiliation is not a reliable measure of union support. Thus while it appears clear that the great majority of outsiders are not union affiliated, and that the great majority of union affiliated workers are insiders, in Spain - with a level of affiliation of approximately 12 to 15% - the great majority of insiders are, in fact, not affiliated to unions. As such, it is more appropriate to analyse the effects of segmentation on union support as effects on workers' level of union involvement (*implicación sindical*).²²

²¹See our discussion in Part One.

²²In saying this, we do not wish to discount the importance of levels of union membership per se.

By union involvement, we mean that set of attitudes, evaluations and activities which indicates that a worker feels identified with the unions (that is, feels represented by them) and who is therefore interested personally in union activity. The ideal-typical involved worker, therefore, will not just display pro-union sentiments and attitudes, but will act accordingly. The involved worker will vote in union elections when they are convoked in the workplace, will be personally interested in the activities and functioning of the union committees in the workplace and will attend, if they take place, union meetings on collective action. In some extreme cases, the involved Spanish worker will affiliate to the union. Our conception of union involvement therefore includes both an attitudinal and evaluative component and one of concrete behaviour.

It is obvious that pro-union behaviour requires pro-union attitudes. In addition, though, pro-union behaviour needs an appropriate environment. The involved worker, for example, cannot vote in union elections if no such elections take place in his or her workplace. Nor can an interest be taken in the affairs of the union committee if the company in which he or she works employs fewer than 49 people (the legal minimum for the establishment of union committees). Nor can the involved worker participate in strikes if none are called. Involved, or pro-union, behaviour therefore requires the institutional and organisational conditions

Indeed, in terms of total union membership and net union density rate (including the unemployed), Spanish unions have staged something of a recovery in the 1990s. Total union membership (that is, the number of workers belonging to the UGT, CC.OO., USO, CNT/CGT and all other confederations) rose from 1.697 million in 1990 to 2.166 million in 1993 (before slipping back to 2.127 million in 1994). The net union density rate in Spain rose from 13.32% in 1990 to 16.38% in 1993 (before falling to 15.82% in 1994). Such data have been used, quite reasonably, by Jordana to challenge the overall thesis of "union decline" in the Spanish context. However, such a trend does not contradict - and may even reinforce - the central thesis of this paper that trade unionism in Spain is increasingly based in, and identified with, the core permanent workforce. Indeed, Jordana himself notes that the recovery in union membership in the early 1990s is based partly on the phenomenon of *permanent* workers who were previously non-members sympathetic to the unions actually joining. In contrast, union affiliation rates among temporary workers have remained low - in 1992, for example, when 34% of Spanish workers were temporary, only 18% of the CC.OO.'s membership was made up of temporary workers (Jordana 1996:215,216,218,220). As such, fluctuations in union membership *levels* do not disguise an enduring insider-outsider division in union membership *composition*.

which make possible the direct presence - and thereby the mobilisational capacity - of the unions.

Many of these contextual conditions are directly related to the size of the company. The more employees there are in the workplace, the greater are the legal and strategic possibilities for effective union organisation. Within the European Union, Spain has the lowest proportion of employees in firms employing more than 500 workers (only 19% of salaried workers in 1989), and the greatest proportion of employees in firms employing less than 50 workers (53% of salaried workers in 1989)²³ (Martínez Lucio 1993:494-495). This is of fundamental importance in explaining the unequal distribution of trade union presence in Spain.

But even in large companies with a strong union presence, the likelihood of a worker participating in union organised collective action may depend on other contextual factors. We argue that occupying a precarious position in the labour market (*precariedad laboral*) has a decisive effect on pro-union behaviour. On the basis of his study of four large metalworking companies in the Autonomous Community of Madrid, Iriso (1993:427) has argued that the temporary worker, given his or her weak position within the company, may consider participation in union action to be an excessive risk in the face of the employer. It is this weak position in the internal labour market of the employed temporary worker that limits enormously his or her possibilities of taking part in collective action,

²³Martínez Lucio (1993:494-495) writes: "The predominance of smaller firms has been increasing: in 1961, 38 per cent of employees worked in firms of fewer than 50 workers; in 1989, the figure was 53 per cent, while only 19 per cent worked in firms of over 500 employees. Using a different basis of calculation (percentages of total workforce rather than of wage earners), Sisson *et al* (1991:97) show that Spain had the highest proportion of any EC country of workers (41 per cent) working in firms with under ten workers, and the lowest proportion by far (8 per cent) in companies with over 500 workers (.). (I)t would appear that conservatism and paternalistic employment relations remain the dominant characteristics of small-scale capital in Spain. The rise in the proportion of small firms probably reflects the elimination of large production units in the course of restructuring of traditional industries. Union membership and organization tend to be much weaker in small firms. Work forces are generally dependent of union bodies external to the workplace, even where elected union representatives exist, and the extensive network of local union officers of the 1970s has been substantially reduced, in great part as a result of financial difficulties and low membership".

regardless of his or her personal attitudes towards, and evaluations of, the trade unions.

As such, we argue that labour market precariousness has a direct effect on pro-union behaviour that is independent of evaluative questions. A precarious or unstable position in the labour market makes it unlikely that workers who are subjectively involved with the unions will transform such involvement into concrete action. More importantly, though, an unstable working situation also affects attitudes towards, and evaluations of, the unions in and of themselves - producing feelings of de-identification, distance, apathy, lack of confidence and even outright rejection of the unions. Trajectories in working life that include temporary work, (long) periods of unemployment, or alternation between temporary work and unemployment, can undermine the feeling that the unions represent and defend the common interest of all workers. In a precarious working situation, identification with the unions may be replaced by the feeling that the worker is alone in the face of the employer, or alone in the face of unemployment, and that no-one is defending his or her interests. Therefore a precarious working situation also diminishes subjective involvement with the unions.

In sum, our general hypothesis is that labour market precariousness reduces union involvement because: 1) it seriously impedes collective action (sub-hypothesis 1), and 2) it produces sentiments and attitudes of apathy towards, and rejection of, the unions. The worker in a precarious situation neither identifies with, nor feels represented by, the unions (sub-hypothesis 2).

Sub-hypothesis 1: Labour market precariousness diminishes pro-union activity

To test sub-hypothesis 1, we have constructed an index of pro-union behaviour (*icompor*) by means of four indicators which appear in the CSCCCB survey: pro-union voting, participation in strikes, direct and personal knowledge of the unions, and union affiliation.²⁴ We consider that each one of these indicators may be viewed as an aspect of behaviour with respect to the unions; as such, they characterise the personal relationship of the worker with the union as an organisation.

Table 6 shows the results of a weighted multiple regression that attempts to explain the union-related behaviour of the salaried Spanish workforce, through a sub-sample of the active population obtained from the CSCCCB survey. Our regression model explains the dependent variable (*icompor*) by means of four independent variables: the occupational class of the interviewee; the type of ownership of the company where the interviewee is working or has worked (*public*); his or her degree of sympathy for or hostility towards the unions (*simpat*), and the degree of security of the interviewee's employment (*preca2*).²⁵

The model of occupational class is identical to that used in Tables 3, 4 and 5, except that in this case, no distinction has been made between unskilled blue-collar and manual agricultural workers and both appear under the label UNSKILLED. Introduced as dummy variables, the results of the different values of the model which appear in Table 6 should be compared with the value 3 - that is, with the occupational category corresponding to routine non-manual workers in administration and business, who do not appear in the table. *Public* is a dummy

²⁴This index is derived from the non-weighted sum of pro-union voting (excluding votes for the public servants' union, the CSIF), affiliation to the unions, participation in strikes organised at the place of work, and direct and personal knowledge of a union. Each of these variables is given a value of 1 in the case of an affirmative response, -1 in the case of a negative response, and 0 where there is no response. Thus a worker who votes for and is affiliated to a union, who has participated in a strike organised at his or her place of work, and who claims to have a personal and direct knowledge of the union, obtains the maximum score of 4. Conversely, a worker who responds negatively with respect to all four indicators scores -4.

²⁵Age and gender, demographic variables which are usually introduced as control variables, were not significant in previous models and thus are not included here.

variable worth 0 if the interviewee is working, or last worked, in the private sector, and 1 if he or she is working, or last worked, in the public sector. *Simpat* is another dummy variable which we believe is a good indicator of what we have termed subjective involvement with the union, worth 0 if the interviewee feels no sympathy for the unions and 1 if he or she feels sympathy for a union. Finally, *preca2* is the key variable for validating our hypothesis, with value 0 if the interviewee has a permanent contract and 1 if his or her contract is temporary or he or she is unemployed. It is therefore a statistical measure of labour market precariousness.

Table 6. *Weighted regression. Dependent variable: prounion behaviour index*

Variance-weighted least-squares regression			Number of obs = 1187			
Goodness-of-fit chi2(41) = 75.79			Model chi2(9) = 549.87			
Prob > chi2 = 0.0008			Prob > chi2 = 0.0000			

icompor	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	

public	1.002822	.1151138	8.712	0.000	.7772029	1.228441
PAM I	-.0488446	.1968328	-0.248	0.804	-.4346298	.3369405
PAM II	.3737916	.1520441	2.458	0.014	.0757907	.6717925
SERVWORK	-.8396914	.1822513	-4.607	0.000	-1.196897	-.4824854
FOREMEN	-.4678144	.3026969	-1.545	0.122	-1.061089	.1254605
SKILLED	-.2119299	.198395	-1.068	0.285	-.6007771	.1769172
UNSKILLED	-.0975122	.1643026	-0.593	0.553	-.4195393	.2245149
preca2	-.2849708	.1072809	-2.656	0.008	-.4952375	-.074704
simpat	1.999193	.1227235	16.290	0.000	1.758659	2.239726
_cons	-2.046195	.1320063	-15.501	0.000	-2.304922	-1.787467

Source: Sub-sample of the CSCCCB, 1991. ACTIVE POPULATION. (Own elaboration)
See statistical tests in the appendix.

Our model shows that union-related behaviour depends on the four independent variables, though to different degrees. Thus occupational class, for example, does not seem to have any particular explanatory force. Only two occupational categories appear significant when, controlling for other variables, they are compared with the level of pro-union behaviour of routine non-manual workers in administration and business. These are high-level and administrative professionals, and managers of enterprises with fewer than 25 workers (PAM II), and routine workers in personal services (category SERVWORK). The former, surprisingly, display higher levels of pro-union behaviour than white-collar

workers (category 3), and the latter, lower levels. The other occupational categories are indistinguishable from category 3. Occupational class, therefore, does not appear to be decisive in explaining pro-union behaviour when other "subjective" and structural variables are controlled for. This finding suggests, at first glance, that the basis of union support is occupationally heterogeneous. However, it could be that the effect of occupational structure on union-related behaviour is more indirect - that is, mediated through "subjective" variables - and therefore in large part hidden in this test. We return to this point below.

As we expect, subjective factors are key to explaining pro-union behaviour. The variable *simpat* yields the highest regression coefficient in the model. Controlling for other factors, the greater the sympathy for the unions, the greater are the possibilities of pro-union behaviour. With respect to the other contextual variables in the model, the type of ownership of the company is a key explanatory factor. There are greater levels of pro-union behaviour in the public sector than in the private sector. In the sense that our regression model controls for union sympathy, we can conclude that the observed differences are due to the greater presence and organisational capacity of the unions in the public sector. Finally, and most importantly for our argument, the model confirms sub-hypothesis 1, showing significant differences between workers in stable and unstable situations, independently of sector, occupational category and level of union sympathy. As we expected, the model suggests that a precarious working situation - even for workers sympathetic to the unions - hinders pro-union activity.

Sub-hypothesis 2: A precarious working situation diminishes subjective involvement with the unions

We have also hypothesized, however, that labour market precariousness reduces subjective involvement in and of itself, eroding the worker's sentiments of

collective identity with respect to the unions, and generating instead those of distance, apathy and even rejection. If this is indeed the case, we would expect that a precarious working situation, controlling for other variables, reduces the possibility of a worker being subjectively involved with the unions.

To test this hypothesis, and given the statistical difficulties of constructing a scale of intensity for subjective support for the unions, we have opted for operationalizing subjective involvement in categorical terms - that is, of being involved or not. We have therefore added to the indicator of feelings of sympathy or hostility towards the unions an indicator of the level of personal identification with the unions. These have been combined into a dummy variable of subjective involvement. Thus workers declaring sympathy for a given union and who also identify with its activity (and therefore feel represented by it) will be subjectively involved with the union. Conversely, workers with neither feelings of sympathy for, nor identity with, any union, will obviously be subjectively uninvolved. The former obtains a score of 1 with our variable *implic* and the latter 0.²⁶ The first point to emphasize in our analysis is that only 30% of our sub-sample from the CSCCCB survey of the active population can be considered, according to our criteria, subjectively involved with union activities.²⁷

Our logistic model of the probability of being a subjectively involved worker is presented in Table 7. In the model, we have considered that subjective involvement depends on two structural variables - occupational class and status in the labour market (that is, being in a stable or precarious working situation) - and

²⁶In the CSCCCB survey questionnaire, there is a variable of self-placement on a scale from 0 to 10 according to the interviewee's degree of identification with the unions. Those individuals with scores less than five were considered "not subjectively involved with the unions" (*id*=0) and those with scores more than four "subjectively involved with the unions" (*id*=1). According to our variable *implic*, an involved worker is one who is "subjectively identified with the union" and who also declares his or her sympathy for a union (*implic*=1 if *id*=1 and *simpat*=1). A worker not involved with the union is one who is not subjectively identified and who declares no sympathy for any union (*implic*=0 if *id*=0 and *simpat*=0).

²⁷A fact that will reduce significantly the sensitivity of the logistic model. See the Statistical Appendix.

two ideological variables - subjective identification with political institutions and worker consciousness. We have also introduced into the model an index of objective behaviour, although in this case, as we discussed above, it is more logical to interpret the causal relationship in the other direction - the more subjective involvement, the more pro-union behaviour.²⁸ Its inclusion in the model helps us to both isolate the effect of labour market status (*preca2*) and to distinguish clearly sub-hypothesis 2 from sub-hypothesis 1.

²⁸Again, gender and age did not turn out to be significant in previous models, and thus do not appear in this one.

Table 7. *Logistic model. Probability of being a worker subjectively involved with union's activities*

Logit Estimates			Number of obs = 479			
Log Likelihood = -138.8017			chi2(10) = 179.35			
			Prob > chi2 = 0.0000			
			Pseudo R2 = 0.3925			

implic	Odds Ratio	Std. Err.	z	P> z	[95% Conf. Interval]	

PAN I	.9769676	.5422171	-0.042	0.967	.3292026	2.899326
PAN II	1.692693	1.035936	0.860	0.390	.5100808	5.617168
SERVWORK	1.018717	1.543427	0.012	0.990	.0522907	19.84646
FOREMEN	5.662445	6.053858	1.622	0.105	.6965681	46.03036
SKILLDMAN	3.356542	2.237595	1.816	0.069	.9087607	12.39751
UNSKILLED	2.027749	1.292952	1.109	0.268	.5811168	7.075629
preca2	.5113891	.1809604	-1.895	0.058	.2555907	1.023194
partyid	1.572328	.0962592	7.392	0.000	1.394543	1.772778
icompor	2.024631	.187234	7.628	0.000	1.688995	2.426964
iccw	1.086735	.0491474	1.839	0.066	.9945538	1.187461

Source: Sub-sample of the CSCCCB, 1991. ACTIVE POPULATION. (Own elaboration)
 see statistical tests in the appendix.

First, our logistic regression shows that occupational class (*asalaria*) has, in this case, greater importance. The two highest odds ratios are found in the skilled blue-collar occupational categories. The probability of being a worker subjectively involved with the unions increases greatly if one is a supervisor of manual work (at a 90% statistical level of confidence) and somewhat less (though with greater statistical confidence) if one is a skilled manual worker. In addition, although we cannot reject the null hypothesis that the relationship is random, the model suggests that unskilled manual workers could be the occupational category with the third highest proportion of subjectively involved workers within its ranks. This shows that sympathy for and identification with the unions are not unrelated to the position that the worker occupies in the structure of occupational classes. This is a conclusion (though it should not be exaggerated) that could qualify some of the results of our previous model. If occupational class has a direct effect on subjective involvement and if this, in turn, is the variable which best explains pro-union behaviour, we could deduce that pro-union behaviour is affected indirectly by occupational class much more than the weighted regression in Table 6 suggests.

Second, the regression shows that union involvement also depends on ideological factors. The independent variables *partyid* and *iccw* are the two

continuous scales that we have employed to "measure"²⁹ these factors. *Iccw* is an exact reproduction of the index of worker consciousness elaborated by Wright³⁰ (see Wright 1985:146-147,252-254; Polavieja 1996b:15-16) and *partyid* is a scale from zero to ten in which the interviewee is asked to position his or her level of identification with a political party.

The introduction of the *iccw* model is justified by the expectation that those workers with greater "worker consciousness" will tend to be more subjectively involved with the unions (Polavieja 1996b:12-14). For its part, the variable *partyid* is introduced because a relationship, at the ideological level, exists between the degree of legitimacy of the industrial relations system and the degree of legitimacy of the political system, inasmuch as both are indicators of the same type of general legitimacy. If this is so, it appears logical that two key indicators - identification with political parties and involvement with the unions - are also related.

Our regression analysis shows that there is a statistically significant relationship between the degree of worker consciousness and the level of subjective involvement with the unions. Controlling for the other variables, the more worker consciousness, the greater the level of involvement with the unions. In similar fashion, the model appears to confirm our hypothesis that a relationship exists between party identification and union involvement. The greater the degree of

²⁹We are well aware that factors as abstract as class consciousness cannot be "measured" as such (see Richards 1996:3-10). What can be measured, as Wright argues, are the effects of these factors. One of these effects will be the answers given to the questions which form the scale of worker consciousness. On this point see Wright 1987:34-36.

³⁰*Iccw* includes seven Likert-type questions, in which the interviewee is asked to express his or her agreement at four levels. These questions reflect opinions on the legitimacy of business, private property and the profit motive, the justification or not of pickets and the use of workers to replace strikers, and the possible effectiveness of worker management of companies. An eighth question is added which measures the preferences of the interviewee with respect to the possible outcomes of a hypothetical strike over wages and working conditions in a large company. Each answer is scored -1, 1 or 0 according to whether the interviewee is, respectively, pro-capital, pro-worker, or fails to respond. Wright's scale is derived from the sum of these scores (see Wright 1985:146-147 and Polavieja 1996b:16n20).

The *iccw* scale reflects general perceptions of the legitimacy of the economic order and that which has been termed *class images of society*. None of these eight questions make any reference, direct or indirect, to unions as organisations.

party identification, the higher the possibility of being a worker who is also involved with the unions. Consequently, the degree of a worker's union involvement is also determined by ideological-subjective factors which must be taken into account.

Finally, the model confirms our hypothesis that, independently of ideological and structural factors, a precarious working situation diminishes in and of itself a worker's subjective involvement with the unions. At a 94% statistical level of confidence, we reject the null hypothesis that a precarious working situation does not reduce the level of union involvement.

3.2 Summary of Findings

Based on our use of the CSCCCB survey data, we conclude that labour market precariousness has clear effects on involvement with the unions. Those workers who are unemployed or who are on temporary contracts demonstrate significantly lower levels of subjective involvement and pro-union behaviour than workers on permanent contracts. On the one hand, a precarious working situation reduces the participation of the worker in union activities. This is so in all occupational categories, in the public and private sector, and amongst both workers who are hostile and those who are sympathetic towards the unions. A precarious working situation therefore acts as an "objective" factor impeding collective action amongst workers. The weakness of their position in the internal and external labour markets ensures that workers in the precarious segment of the labour market - the outsiders - are related much more tenuously to union activities.

On the other hand, the dualization of the labour market also has direct consequences for the evaluation of the unions. A precarious working situation

reduces significantly both the possibilities of subjective identification with the unions and levels of sympathy for the unions. Outsiders, because of their situation in the labour market, feel less ideological affinity for the unions than workers in stable situations. This is so independently of key ideological factors such as worker consciousness.

We argue, therefore, that the process of segmentation of the labour market has had empirically verifiable repercussions on levels of involvement with the unions. Trade unionism without affiliation, as is the case in Spain, bases its strength on its capacity to mobilise workers - that is, on its capacity to present itself before workers as the legitimate representative of their interests. As such, the diminution of workers' involvement with the unions represents a debilitating trend of very great significance. If a growing segment of the Spanish workforce is no longer mobilised by the unions, either because it cannot be, or no longer feels, represented, then the unions will have lost an important source of their power.

Conclusions

Given the emerging distance between the trade unions and a growing section of the Spanish workforce, the question arises as to whether and how such a distance might be closed. This question, in turn, raises a series of issues which are undoubtedly in need of further research.

First, the emphasis of the paper has been on the the way in which largely structural factors have tended to drive the Spanish trade unions back to the defence of their core constituency within the insider workforce. Yet could the unions, despite the circumstances, have done more to retain widespread support amongst a changing workforce? In this sense, as Estivill and de la Hoz note, "internal strains and incompetence" have also contributed to the unions' problems.

Since the advent of democracy, the unions' analysis of structural changes in the Spanish economy, and of the consequences of economic recession and recovery, has often been "tardy and partial". It is quite evident - as far back as the early 1980s - that the unions were unprepared to either organize or retain the great influx of new members which they had gained in the late 1970s. Moreover, a key feature of Spanish trade unionism in the 1980s was the often bitter rivalry between the two principal union confederations, the UGT and the CC.OO. Sharp differences existed between the two organisations in their diagnosis of the economic situation and the appropriate tactics and strategy to be adopted, especially in the face of industrial and economic restructuring and with respect to cooperation with government and employers. It should be remembered that the CC.OO. did not sign several of the concertation agreements of the early 1980s, adopting a much more ideologically charged position on the issues of employment and wages than the UGT. Estivill and de la Hoz argue that inter-confederation differences over policies, tactics and strategy have presented a "disorienting image" to working people, while recurrent hostility between the UGT and the CC.OO. - especially at the factory or company level - has alienated many workers (1990:287-289). Given that it is precisely in the workplace where the unions, in the final analysis, have a direct presence in the daily working lives of employees, the potentially alienating effects of union rivalry and division merit further research.

Nonetheless, it is doubtful that greater unity will, in and of itself, narrow the gap between the unions and the workforce as a whole. The UGT and the CC.OO. have, in any case, drawn much closer together in the 1990s, especially with the deterioration of the former's relationship with the PSOE. Nor has this trend been reversed since the election to power of the Partido Popular in May 1996. Both union organisations have continued to call for a bolder, broader and more interventionist range of measures with which to tackle unemployment, and both have stressed the importance of defending and promoting greater job security. These commitments to reducing unemployment and increasing job security are, of course, not inherently "unsolidaristic". Yet without question, the unions continue to face the predicament to which we referred in Part Three. Given

the *realities* of the Spanish labour market - high unemployment, high levels of temporary work, and entrenched segmentation between insiders and outsiders - they have struggled to forge a unifying strategy and at the same time evade the charge that in practice they are defending a relatively privileged group of insiders.

This continuing predicament was highlighted in April 1997 when the UGT and the CC.OO., along with the employers' organisations CEOE and CEPYME, signed a new pact on further labour market reform that was hailed by *El País* as "probably the most important social agreement signed in Spain over the past 15 years" (EIRR 1997:28). Containing measures to both diminish the protective apparatus surrounding permanent workers and to promote the use of a new type of open-ended employment contract, the agreement seeks to ease labour market rigidities and, more indirectly, reduce levels of both unemployment and temporary work by making employers more confident about employing workers on a permanent basis (EIRR 1997:24).

Not surprisingly, the negotiations that led to such an agreement were protracted, not least because employer demands (especially with respect to the lowering of dismissal costs) went to the very core of the unions' dilemma. On the one hand, the unions have come to recognise (albeit very reluctantly) that the easing of so-called rigidities in the labour market may be the only way of reducing, in the long run, levels of unemployment and temporary work. On the other hand, they have remained nervous about making it easier for employers to fire workers. It is a measure of the pressure that the unions encountered - from employers, from the threat of a politically hostile government to intervene directly and, indeed, from sections of the workforce itself - that the UGT and CC.OO. signed the agreement. Yet even then, there was significant dissent from within the labour movement as a whole. The respective leaderships of the UGT and the CC.OO. defended the agreement as a means of promoting, above all else, stable employment. In addition, in the light of their own compromises, they made renewed calls for the government to develop a bolder policy on employment. The General Secretary of the CC.OO., Antonio Gutiérrez, declared that "there can be no more excuses against unemployment and employment insecurity. It is now the

turn of those in charge of economic policy to boost job creation" (EIRR 1997:28).³¹ In contrast, however, dissenting elements within the UGT and CC.OO.,³² and rival minority and regional trade union confederations, argued that the deal would neither reduce unemployment nor boost employment security.³³

Only time will tell if this latest agreement on labour market reform does indeed contribute to lowering unemployment, reducing the levels of temporary work and boosting job security. If it does not, the agreement will only have served to underscore, rather than help resolve, the problems of contemporary Spanish trade unionism.

STATISTICAL APPENDIX

1. Notes to Table 5

.lstat test of model's sensitivity and specificity:

Logistic estimates for eventual (Positive = p>=.5)

Observed	----- Classified -----		Total
	Negative	Positive	
Negative	780	81	861
Positive	105	289	394
Total	885	370	1255

Model sensitivity	73.35%	Model specificity	90.59%
False positive rate	9.41%	False negative rate	26.65%
Positive predictive value	78.11%	Negative predictive value	88.14%

.lfit test of model's goodness of fit:

Logistic estimates for eventual, goodness-of-fit test

no. of observations =	1255
no. of covariate patterns =	1164
Pearson chi2(1150) =	1144.97

³¹See also Gutiérrez's article "Ahora, empleo estable" in *El País*, 1 May 1997; interview with Cándido Méndez, General Secretary of the UGT, *El País*, 23 April 1997, and Méndez's article "Una apuesta por la solidaridad" in *El País*, 1 May 1997.

³²UGT delegates endorsed the deal by 139 votes to 1, while 78% of CC.OO. delegates voted in favour of the deal (EIRR 1997:12).

³³See EIRR 1997:12,28; *El País*, 2 May 1997. See also the CGT's undated pamphlet, *La Nueva Reforma Laboral*.

P>chi2 = 0.5363

The model is capable of predicting correctly 73.5% of the value 1 of the sample's dependent variable, and 90.59% of the value 0. In addition, the model appears well adjusted; it contains neither too many nor too few independent variables.

The model presented here is derived from a previous model which, despite a similar predictive capacity and the equal significance of its variables, failed the goodness of fit test.³⁴ As such, an analysis of residuals revealed that three of the model's 1258 observations had extremely high residual values. With these three observations eliminated, the model, as we see, passes the goodness of fit test. It has been impossible to determine why these three cases had such high residual values; it is possible that they are due to coding errors in the original survey.

³⁴We thank Modesto Escobar and especially Marta Fraile for their assistance in detecting problems of adjustment with previous models.

2. Notes to Table 6

"Ordinary" multiple linear regression is based on the principle of ordinary least squares, because it assumes that the residuals of the dependent variable are normally distributed. However, it may be the case, in reality, that the residuals of the dependent variable vary in conformity with the variance of some of the independent variables. For example, it could be that amongst those professing sympathy for the unions, pro-union behaviour is much more homogenous than amongst those without sympathy for the unions. This is the problem of heteroscedasticity which, when it occurs in ordinary least squares regression, can increase typical errors and may ensure that variables which are in fact significant do not appear as such. This was precisely the case in our first regression model - a model with a good level of explained variance and good specificity, but in which the variable *preca2* was not significant. With the appropriate test, we were able to confirm that the ordinary least squares model contained very serious problems of heteroscedasticity. As such, we opted for a weighted regression which did not assume normal distribution of residuals. As we see in Table 6, the weighted regression shows that labour market precariousness does indeed have an effect on pro-union behaviour.

3. Notes to Table 7

lstat test of model's sensitivity and specificity:

Logistic estimates for *implic* (Positive = $p \geq .5$)

Observed	----- Classified -----		Total
	Negative	Positive	
Negative	374	17	391
Positive	44	44	88
Total	418	61	479

Model sensitivity	50.00%	Model specificity	95.65%
False positive rate	4.35%	False negative rate	50.00%
Positive predictive value	72.13%	Negative predictive value	89.47%

.lfit test of model's goodness of fit:

Logistic estimates for *implic*, goodness-of-fit test

```
no. of observations = 479
no. of covariate patterns = 440
Pearson chi2(429) = 372.17
P>chi2 = 0.9778
```

The model has a high level of specificity (which, in this case, is more or less irrelevant) and an average level of sensitivity. The latter is extremely important. The problem of low model sensitivity can be attributed to the unequal distribution of the values 1 and 0 of the dependent variable. The model has struggled to identify the positive cases (value 1) because they are much fewer than the negative cases (value 0). In fact, the test indicates that the model is able to detect only one half of the individuals who subjectively identify with the unions. Apparently, other variables would be needed to ensure that the classification of these individuals as 1 was greater than 50%.

On the other hand, however, the test for goodness of fit produces very positive results which appear to suggest that the model is very well specified; that is, that it neither lacks, nor contains too many, independent variables. We argue therefore that the low sensitivity of our model is due fundamentally to the scarcity of cases of value 1. In this sense, it is not a problem sufficiently serious to compromise the verification of our hypotheses.

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