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## One More Hole in the Wall: The Lunafil Strikers in Guatemala

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## One More Hole in the Wall: The Lunafil Strikers in Guatemala

### Abstract

[Excerpt] The Coke workers' victory was all the more remarkable given the killings that had decimated the Guatemalan labor movement. Between 1978 and 1984, tens of thousands of Guatemalan civilians were murdered by the Army and its death squads, including hundreds of trade unionists. The Coca-Cola workers' bold action helped break through the curtain of fear left by the massacres, and helped inspire a cautious renewal of union activity.

Now the Lunafil workers were following the example of the Coke workers, and no one was quite sure what would happen. "Only" five unionists had been murdered since the Army allowed a civilian to take office as President in 1986. But the Army was still the real power in the country, and the danger to trade unionists was still very real. A sit-in strike was pushing the boundaries of what would be allowed. So like the Coca-Cola workers, the union at Lunafil was appealing for international support.

The events that followed illustrate how crucial support actions by U.S. unionists can be for the heroic struggles of Third World workers. That phone call from Guatemala to New York City ended up helping keep open a hole in the wall that Lunafil's owners built to isolate the strikers. And the Lunafil workers' fight shows the importance of penetrating the walls of distance, language and culture that separate workers and unionists around the world.

### Keywords

Guatemala, Lunafil, Coca-Cola, strike, violence, solidarity



# One More Hole in the Wall

## The Lunafil Strikers in Guatemala

■ *Peter Hogness*

"I was out of town when I first found out," says Paul Filson, the union organizer who heard first. "I called my tape at home in New York to play back any messages. There was this scratchy voice in Spanish—long distance on a bad line—telling me that there was a sit-in strike at a textile plant in Guatemala called Lunafil. They said they needed our help."

That was in June, 1987. There had not been a sustained factory occupation in Guatemala since the Coca-Cola workers' strike of 1984-85. In that struggle, a local union that had seen eleven members (including three of its presidents) murdered by death squads fought and won against a major transnational corporation. The union said that the international support they received was a decisive factor in their victory.

The Coke workers' victory was all the more remarkable given the killings that had decimated the Guatemalan labor movement. Between 1978 and 1984, tens of thousands of Guatemalan civilians were murdered by the Army and its death squads, including hundreds of trade unionists. The Coca-Cola workers' bold action

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• Peter Hogness is Director of the US/Guatemala Labor Education Project (US/GLEP), which is currently organizing support for the Petrosteel and Confecciones Transcontinentales sit-in strikes in Guatemala. For more information, write to: US/GLEP, c/o District 65/UAW, 7th Floor, 13 Astor Place, New York, NY 10003.

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### **The Strike & Initial Support**

The issues of the strike were straightforward. The Lunafil plant is located in Amatitlán, a town about 15 miles from Guatemala City. It produces yarn for the weaving of textiles. In May, management had purchased some new spinning machines and proposed a new shift system that would have required employees to work 12-hour shifts on both Saturday and Sunday, with no overtime pay. It also would have required work weeks in excess of Guatemala's 44-hour legal maximum. The union and management agreed to put the new shift plan to a vote of the entire workforce, but after the plan was voted down by 95% of the workers, management announced that it would be implemented anyway.

On June 9 the union went on strike, with 91 workers occupying the plant. They knew they ran a risk of repression, and twelve days into the strike, two union members were kidnaped by heavily armed men in civilian clothes. The two had gone into the center of town to pass out leaflets asking for community support of the strike. Suddenly they were hustled into a pickup truck at gunpoint and disappeared. The union protested to the National Police, who denied any responsibility and said they had no idea where the men were. But other union members spotted the two inside the local National Police compound, and photographed them there. Once the police were made aware of these photographs, they released the men unharmed.

The first response of unionists in the U.S. was a series of

telegrams to Lunafil management, the Labor Minister, and President Cerezo. The telegrams demanded that the government guarantee the strikers' safety, that force not be used against them, and that a settlement be reached under which all overtime would remain voluntary. Telegrams of support were also sent to the union. Telegrams were sent by several ACTWU locals and joint boards, ILGWU 23-25, the UE, District 65/UAW, and locals of SEIU, the Teamsters, UAW, RWDSU, and the Paperworkers.

That this strike drew a response from many unionists in the textile and clothing industries was not surprising. One reason was that unionists identify with workers in the same or a similar industry. Even more important was the fact that textile and clothing workers in the U.S. have been hurt badly by capital flight and the resulting export of jobs. The worse conditions are abroad for clothing and textile workers, the more likely U.S. companies are to move production overseas. The more we help foreign workers in the industry to defend their rights and raise their living standards, the more likely it is that we can preserve those jobs in the U.S. In this sense, these telegrams were very much acts of solidarity, not charity.

U.S. labor support for the strike was organized by a group of U.S. union activists who had been discussing how to establish a permanent center for solidarity with Guatemalan labor—the US/Guatemala Labor Education Project (US/GLEP). Several of those involved in these discussions had been part of the support effort for the Coca-Cola strike—and they were the first to be contacted by the Lunafil union. The Project was still just an idea—it had no formal structure, no staff, and no funding. But we felt we couldn't wait a few months before we did anything about Lunafil—by then the strike might be crushed.

On July 7, factory manager Leonel Barrios came to the plant and told the workers that he had a new proposal to discuss with them. Once they had assembled in a shed in the factory's courtyard, Barrios had nothing to say about new proposals, but instead told the strikers that the plant was being permanently closed and that they were all fired. As Barrios spoke, about 25 private guards from the Ebano security company, armed with rifles and grenades, occupied the main factory building. The workers refused to move from the factory grounds, and a tense standoff prevailed. The workers continued to occupy the courtyard, the gate, and some sheds that held raw material and finished products. But they now had a minimum of shelter and armed goons watching them 24 hours a day.

On July 11 came the union's response—a solidarity demon-

stration in Amatitlán that drew close to 1,000, with contingents from other unions, union organizing committees and student groups. The union denounced the supposed "closing" of the plant as a maneuver to allow the company to hire a new, non-union workforce.

The Ebano guards refused to let anyone enter the factory compound. Water was cut off. Food and water had to be passed over the fence—enough for the 80 workers inside. The 11 workers who had been outside the plant when the guards invaded camped out in front of the gate, and provided the occupiers' link to other unions and the community. The strikers' wives and children came by to visit for as much of the day as they could, holding hands with two or three fingers extended through the chain-link fence.

The hard line by management drew a response of increased international support. In July and August, telegrams and support statements came from unionists in Germany, Spain, France, Belgium, and the U.S. In August, 18 U.S. union officials signed a newspaper ad denouncing the invasion of the plant by the paramilitary force from Ebano. The ad asked the government to work for the removal of the Ebano guards, guarantee the workers' safety, and insist that the company come to a fair settlement.

Besides an indignant reply from Lunafil management, the U.S. union officials' ad drew a more important response—the resumption of negotiations. The company began to talk of possibly re-opening the factory after all. They offered to give workers 100% of their severance pay, and to re-hire up to 25% of the strikers. However, they wanted to choose which 25%. When the union said it would consider this offer if the company would guarantee to re-hire the union's executive committee, the company refused. This made clear that the company's goal was to eliminate the union. Still, it represented some retreat from the company's earlier position.

In August, another newspaper ad supporting the strike was jointly published by Guatemala's three main national labor federations: the AIFLD-backed CUSG, the Christian Democratic CGTG, and the independent UNSITRAGUA. As the first occupation since the Coke strike, all unions could see that they had a stake in the outcome at Lunafil. This support for the strike across the ideological spectrum of Guatemalan labor both reflected and encouraged a trend towards unity, which later resulted in the formation of UASP (Trade Union & People's United Action).

The length of the strike began to take its toll. Little of the support from abroad had been in the form of financial aid, and other Guatemalan unions had little to give. The workers, who had made



*... families together at the fence before the wall was built.*



*... the wall at Lunafil.*

50 quetzals (about \$20) a week before the strike, got only 10 quetzals a week from the strike fund. Some strikers' families were evicted from their homes. Food was scarce. Meanwhile, the company was offering severance pay to anyone who quit. Under this economic pressure, 17 strikers dropped out in August, and by the first week of November another 32 dropped out. The situation looked bleak for the 39 who remained, but all of them would hold fast until the strike's end.

Organizing continued in Guatemala. In September the owners sent trucks to remove raw material and finished product from the factory grounds, but they were blocked when strikers and community supporters lay down in front of the plant gate. In October, a larger team of Ebano guards arrived at the plant and the workers feared an attempt to evict them. They went on alert and sent out the word to community supporters to come to the plant. An hour later the extra guards left, apparently deterred by the union's



readiness. Then on December 10, the labor federation UNSIT-RAGUA organized a march of 1,000 people from Amatitlán to the National Palace in Guatemala City. There they met with the new Labor Minister, Rodolfo Maldonado, who promised to mediate negotiations aimed at re-opening the plant.

In December, increased aid from international solidarity groups enabled the union to increase strike pay to 25 quetzals a week. There were even enough funds for a Christmas "bonus" of 100 quetzals. The promises of the Labor Minister in December had not resulted in any government action, but the union continued to pressure the government and on February 2 met again with Maldonado, demanding that he fulfill his commitments. On February 10, the union and management met for the first time in months, under Maldonado's auspices. Management agreed to carry out studies to see if re-opening the plant was feasible.

The union at Lunafil, concerned that this might be just a company ruse to find an excuse to close the plant, started inquiring among its international supporters whether a "union expert" could be made available to do a feasibility study, depending on whether the company's study seemed honest or not. Although this turned out not to be needed, both an ACTWU joint board and a Canadian ILGWU local began to line up people who might be able to play this role.

### **Finding Hooks for a Corporate Campaign**

While the search for a "union expert" went on, a new side to the U.S. solidarity campaign was being developed—a corporate campaign against Lunafil's shareholders. This was the part of the U.S. support effort that broke some new ground, and could be particularly useful as a model for future work.

In late 1987, US/GLEP activists began to discuss what more could be done to support the Lunafil strikers—especially whether there was any way to put direct economic pressure on Lunafil's owners. One advantage that the Coca-Cola strikers had was that their employer made a very visible international target. Coke had been the target of boycott campaigns in different countries, shareholder actions at annual meetings, demonstrations at its world headquarters in the U.S., and even work stoppages by some of its Scandinavian employees. As a Guatemalan corporation, selling to an industrial market, Lunafil did not present such a clear-cut target. It manufactured no consumer products, had no brand name, and had no offices in the U.S.

The idea occurred to us of pressuring Lunafil's stockholders

through other economic interests they might have. The problem was that we had no idea who the stockholders were. The Guatemalan version of "Incorporated" is "Sociedad Anonima"—that is, an "anonymous society." This means, quite literally, that the identity of the owners is a secret, even if the stock is publicly traded. The most the Lunafil union could give us was the names of some of the plant's managers, but the owners' identities remained a mystery.

It was not until February that the Lunafil union was able to provide us with some leads that eventually led to the identification of four of the five shareholders—Eli Garsuze, Ronald Werner Knoke, Arnaldo Kuestermann, and the majority shareholder Julio Raul Herrera.

We began to research these names, and in March got our first break. Arnaldo Kuestermann turned out to be the head of a Guatemalan think-tank called ASIES, which has close ties to President Cerezo's Christian Democratic Party. The most interesting thing about ASIES, for our purposes, was that it received funding from the National Endowment for Democracy (NED), a cold-war-oriented funding institute that was created by Congress with AFL-CIO support. We had found our hook.

On March 21, Noel Beasley, Midwest Director of ACTWU and a US/GLEP Board Member, wrote Kuestermann that: "U.S. unions have played a major role with the NED. I am disturbed to see a union-supported project donating money to an institute linked to the owners of Lunafil, a company guilty of serious anti-labor practices." Kuestermann promptly wrote back to Beasley, assuring him of his interest in reaching a settlement as soon as possible. He also wrote to the NED, begging them not to cut off his funding.

In April, US/GLEP organized a three-person delegation to visit Guatemala in support of the strikers. Participating were Lance Compa, Washington Representative of the UE; Paul Garver, Contract Director of SEIU 585 in Pittsburgh; and myself, as staff person for US/GLEP. Compa and Garver are both members of US/GLEP's Board. When we met with Kuestermann, he pronounced himself completely in favor of dialog and opposed to any use of force. He was anxious to convince us that ASIES was doing good works. He said apologetically that he was only a minor shareholder in Lunafil, and that the others were more hard-line (which unfortunately turned out to be true). And he got very nervous whenever the question of ASIES' sources of funds came up.

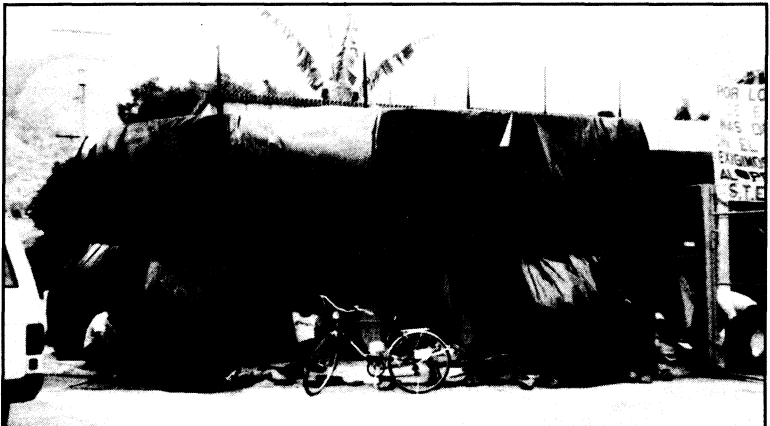
Where our pressure on Kuestermann seems to have made the biggest difference was "The Wall." On March 14, the company began the construction of a 10-foot high concrete wall, topped with

barbed wire, completely around the factory grounds. The clear intent of this replacement for the chain-link fence was to break the strikers' morale by cutting them off from contact with their families, as well as to make it harder to supply them with food and water. When the union protested to Labor Minister Maldonado, he replied that this was being done for the workers' own safety, so that they could not be assaulted from outside.

When we arrived in Guatemala in early April, the wall was finished except for the installation of a solid steel gate. The old chain-link gate was still in place, and was now the only place where strikers and their families could see and talk with each other. When we met with Kuestermann, we made the wall a central issue. He promised to do what he could to prevent installation of the steel gate. In spite of the sharp conflicts which occurred over the next few months, there was no further attempt to put in the new gate.

I arrived in Guatemala City a few days before the other two members of our delegation, to finish some of the advance work. When I called the office of Julio Herrera, he said that the dates I was requesting were impossible "because I have to go to Washington. But I could see you now."

Herrera's office was in a large building in a wealthy residential area of Guatemala City—the headquarters of a sugar plantation and refinery complex he owns. The white stucco building was surrounded by high walls topped with barbed wire, and the building itself looked like a cross between a modernistic mansion and a fortress. Once past the receptionist's window I was shown up a sweeping spiral staircase and into Herrera's office—a large,



*...the encampment of the outside strikers.*

high-ceilinged room with picture windows overlooking a garden. Herrera came out from behind his desk—a big, wooden oval. He was short, trim, with silver hair, an expensive suit and perfectly manicured hands.

We met for over an hour. Also sitting in was Ronald Werner Knoke. Herrera started off with a complete history of the strike from management's point of view, emphasizing the many abuses and indignities that the stockholders had had to put up with. He said he saw no point in negotiations. "The stockholders have been through a lot of problems, and we want *out*. How can you deal with a group which has acted illegally?"

When asked about the wall, he said, "As for the wall, the stockholders felt that this country club life [of the strikers] could not be allowed to continue." When asked if calling it a "country club life" didn't go a little too far, he admitted it might be an exaggeration. "But, you know, they were playing football in there! They were not working. They were spending their time talking to their wives. The point of the fence was to break that contact, so that this could not continue." Clearly Herrera did not feel that he had to make excuses for his actions.

In the course of conversation, Herrera said that he was going to Washington as the chief lobbyist for a group of sugar producers, a trip he said he made every few months. We had found our second hook.

The meeting made things a lot clearer. It had been puzzling us how the owners of Lunafil could hold out so long, with no production coming out of the plant. Herrera's real money was in his sugar interests. For him, Lunafil was small potatoes, and he seemed willing to run the company into the ground in order to make an ideological point. He was the one we were going to have to pressure.

Before we left Guatemala we met with President Cerezo and Labor Minister Maldonado, from whom we got a lot of sympathetic noises but no specific commitments. The meetings probably helped to forestall police intervention against the strikers, but we left without any illusions that the government could be counted on to help.

### **At the Hole in the Wall**

Help would have to come first from the strikers themselves, with whom we met for several hours. After a dusty, crowded bus ride, we arrived at Lunafil—now a walled-in compound as large as a football field.

Around the gate were seven or eight women and several children, sitting close to the fence and talking to some of the strikers. Large banners hung from the barbed wire that topped both the gate and the tall concrete wall. One such banner proclaimed the strikers' determination to "Fight for Union Rights" and others demonstrated solidarity from other unions. The blue-uniformed Ebano guards stayed mostly inside the guardhouse just to the left of the gate, but the semi-automatic rifles hanging from their shoulders were still quite visible.

As we spoke with the workers about the strike and about the wall, the strikers who camped outside the wall were busy mixing cement to fill up holes dug for the new steel gate. Through the chain-link gate, strike leader Felix Gonzalez tells us that "the owners figure we'll cave in if we can't see our loved ones any more. But it just makes us more determined to keep fighting." Gonzalez has a quiet, modest manner and an easy laugh. Like most of the strikers, his face shows that many of his ancestors have been from Guatemala's Indian majority. Dressed in jeans and a t-shirt, he is quite a contrast with Mr. Herrera.

Gonzalez is glad to see the union t-shirts we've brought as a gift of solidarity. "We'll have a drawing to see who gets them—it'll be a little bit of excitement for us, to liven up the day." Gonzalez explains how the workers have organized themselves to make small crafts, both for their families to sell for income and to avoid going nuts from boredom.

The workers also spend time on union education. The youngest striker, 17-year-old Luis Ramirez, says, "I know my friends are having a good time outside. I'll have time for that later. Right now I'm learning a lot about struggle and politics." When the strike broke out, his choice was clear: "Even though I only worked here a little while before the strike began, I knew I belonged here with the guys. . . . I have a 15-year-old brother and a 9-year-old sister. I'm in here fighting so they'll have a better life." The oldest striker is Rumulo Ajche, age 60. He tells us, "For us workers, the struggle never ends. With my long experience, I can help the younger guys get through it." Like Luis Ramirez, Ajche is not just thinking of himself—he says he's here "for the workers who come after me."

While we talked, family members and the unionists outside handed some important things over the gate where there's a break in the barbed wire—first food, then water, and then a couple of children. Six children have been born to strikers' wives since the strike began. One worker jokes that "there better not be any more—it's been more than nine months now." Later he confides to us that at the beginning workers could sometimes sneak out



*...the police at the Lunafil hole in the wall.*



*U.S. labor activists (from left to right) Lance Compa (UE), Paul Garver (SEIU) and Peter Hogness (US/GLEP) talk with two Guatemalan journalists at the hole in the wall.*

at night for a "conjugal visit," but that in the last few months this had become impossible due to tighter scrutiny by the guards.

The day before we left Guatemala, a notice appeared in the newspapers announcing a Lunafil shareholders' meeting for April 29. The final point on the meeting's agenda was described as "Liquidation of the Company." Apparently, Herrera was going to wash his hands of the matter before it caused him any more trouble. As we got on the plane, we knew we would have to move fast.

On our return to the U.S., we quickly contacted Congressional staffers who had been active on the question of labor rights as an international trade issue. We were lucky—a few staffers had recently accompanied a delegation of exiled Guatemalan opposition leaders on a brief return visit. We were able to tap into the resulting interest in Guatemala, and almost immediately a telegram was sent to Herrera by six members of the House. The telegram insisted on a prompt settlement that was fair to the union and advised Herrera that "the ongoing Lunafil controversy damages your ability to act as an effective spokesperson for the Guatemalan and Central American sugar industry."

The effect of the telegram was felt quickly. In the last few days before the stockholders meeting, there was a flurry of negotiations. Knoke was back and forth to the plant with proposals almost daily. At the meeting, the shareholders voted to make no decisions and to analyze the union's proposals further.

Negotiations continued, and so did our attempts to check out Herrera's sugar connection. At the May 6 meeting, Herrera complained that the union was "disfiguring" his reputation abroad, and expressed interest in a quick settlement. An agreement acceptable to the union seemed to be within reach.

## **Crackdown & Response**

Then on May 11 came an event that would change everything—an attempted military coup. The effort was organized by a group of ultra-right-wing junior officers, who demanded a stepped-up campaign against Guatemala's guerrilla movement, tighter control over the civilian opposition, and a crackdown on the labor movement. Although the coup was put down by the high command, the Army's general staff was sympathetic to most of the coup plotters' program, and they leaned on Cerezo. By mid-summer, most of the demands of the coup had become government policy. The Lunafil strikers were some of the first to feel the results.

In the early morning hours of May 26, 500 riot police invaded the plant to assist the removal of tons of finished yarn and raw cotton that were still locked up in the factory. Workers from the Capritex textile plant across the highway walked off the job and formed a crowd at the gate, joining the strikers camped outside the gate, the strikers' wives and others from the community. After the trucks were loaded, the police attacked the demonstrators with tear gas and truncheons, driving them away so the trucks could leave. The police were especially vindictive towards the strikers who had been living outside the gate, chasing them through the

streets of Amatlán, breaking into the homes of residents who offered them refuge. One strike leader was shot in the arm with a plastic bullet.

Later that afternoon, the trucks returned to take out the raw cotton. But by then the police had left, and the workers had built a barricade of concrete, wood and rocks to block the gate. The trucks left without incident, and without the cotton. Two days later, three pickup trucks arrived at 1 a.m. carrying about 20 men in civilian clothes. They were armed with machine guns and accompanied by attack dogs. While some began destroying the barricade with hammers and pickaxes, others fired their guns in the air and launched a tear gas grenade into the factory grounds.

In the U.S., we quickly mobilized to protest these attacks. Dozens of telegrams were immediately sent to Cerezo demanding no further police intervention and a guarantee of the strikers' safety. By the next week we had raised the money to place a newspaper ad protesting the attacks. These tried-and-true tactics were successful in helping to prevent a repeat attack. The police never





returned in force, and the raw cotton wasn't removed from the plant. But the political atmosphere in Guatemala had shifted, and a newspaper ad was not going to shift it back.

Management claimed no knowledge of the police attack, but they hardened their negotiating stand. In early May the company had indicated a willingness to re-hire all 39 strikers and to re-open with the old shift schedule. When the union and shareholders met on June 2, however, the shareholders said they would only take back 10 of the strikers. The union insisted on all 39, pointing out that Guatemalan law establishes 20 as the minimum number of members for a legally registered union. Management agreed to go up to 20 and suggested that if the union would consider a number lower than 39, they would consider a number higher than 20.

After a thorough discussion among all the strikers, some workers said they'd be willing to sacrifice their jobs in the interest of reaching a settlement. But when the two sides met again on June 3, management did an about-face. They said the union's willingness to negotiate on this point was too little, too late. It was 20, take it or leave it. They gave the union until June 7 to accept, at which time they said they'd dissolve the company and sell its assets.

The workers decided they had to hold out, and they continued to organize support. In early June, 200 people marched from the town of Escuintla to Amatitlán—a seven-hour walk at a fast pace with no rest. On June 17, 300 marchers made the 17 miles from Lunafil to the National Palace in a heavy rain.

In the U.S., once the work of organizing the response to the police raid was behind us, we got back to focusing on Herrera's sugar connection. The actual quota for each country exporting sugar to the U.S. is fixed by the Department of Agriculture according to standards set by Congress. The way the sugar price support law is written, the Department doesn't have a lot of discretion. After a bit of digging, we concluded that while Herrera might be wining and dining the bureaucrats involved in making this determination, his Sugar Exporters Group was most interested in trying to build long-term influence in Congress to change the law in the future.

We then identified members of Congress who were in a position to influence this issue and who were either pro-labor or anti-import. We began a campaign to get local and national unions to write to House and Senate members who fit these categories, encouraging them to raise the issue of labor rights as a factor in determining future sugar quotas. Our most immediate goal was

to get one of these members of Congress to write to Herrera and express concern for the Lunafil union. Coming from someone who could help or harm Herrera's sugar interests (and his role as a Washington lobbyist), we figured this would make him sit up and take notice. The letter campaign drew national-level support from ACTWU and UE, and from locals and regional councils of SEIU, the Steelworkers, AFSCME, CWA, and others.

Negotiations continued in Guatemala during June and July, making halting progress. Meanwhile, the broad Guatemalan union coalition UASP was holding mass rallies to protest government failure to comply with an economic and social accord it had signed in March. Plans were discussed for a possible national strike—the movement was beginning to recover from the atmosphere of fear that had been generated by the May coup attempt.

On July 20, the Lunafil union and shareholders finally signed an agreement. It was a mixed bag, but overall favored the union. It provided for the plant to re-open on August 23; for continuation of the old shift schedule; for a wage increase; and for an end to Lunafil's legal proceedings against the union. But the agreement included a bitter pill for the workers to swallow—only 24 of the remaining 39 strikers were re-hired. This blow was softened by payments of \$2000 to each worker not re-hired—a lot of money for Guatemalan workers. And it was the workers themselves—not management or a lottery—who decided who would return and who would not.

There were strong and conflicting emotions at the plant gate on July 22, two days after the agreement was signed. A large crowd of families, other unionists and community supporters gathered while the Labor Minister and other officials looked on. The main feeling was of joy and relief, as families were reunited after over a year of communicating from opposite sides of a wire fence. There was also sadness that 15 *compañeros* had to sacrifice their jobs.

But the agreement was not to be implemented without a complicated endgame. The date for the strikers to return to work was pushed back to August 29, then September 19, then October 3. Meanwhile over 40 "temporary" workers began production inside the plant, working 12-hour shifts many days without overtime pay. Management also tried to re-open the shift issue in discussions with the strikers, and raised objections to re-hiring one striker who had been fired for union activities shortly before the strike began.

Under pressure from the Lunafil union, management agreed to pay the 24 returning strikers their full salary retroactive to August 23. But on the shift issue and the one striker they refused to re-hire, negotiations seemed to be going nowhere.

In mid-September the US/GLEP sent Herrera and the Guatemalan Embassy copies of the union letters to Congress on the sugar quota/labor rights/Lunafil connection, threatening to pursue the campaign further if the settlement was not implemented. Shortly afterwards, management agreed to re-hire the one striker

## SOUTH FLORIDA AFL-CIO

A FEDERATION OF AFL-CIO LABOR UNIONS IN DADE & MONROE COUNTIES



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Mr. Raul Valdes-Fauli  
Biscayne Development

Dear Mr. Valdes-Fauli:

You may not be aware that one of the Directors of Biscayne Development, Julio Raul Herrera, of Guatemala, is involved in a major international labor controversy that could reflect adversely on Biscayne Development.

Mr. Herrera is the controlling shareholder of a Guatemalan textile company named LUNAFIL, S.A. . . .

Recently management and the union signed a [two-part] agreement to end the strike. . . .

Unfortunately, Mr. Herrera has chosen to blatantly violate each of these agreements. This kind of bad faith does not make for a good reputation in the business world. It also can become a magnet for protest by concerned labor, church and civic organizations. For these reasons. . . I would urge you . . . to consider whether Mr. Herrera's association with Biscayne Development is in the corporation's best interests.

Sincerely,

Marty Urrea  
President

who was in dispute. On the shift issue, an agreement was reached that 15 of the strikers would resume work under their old schedules, while 9 would work a new schedule proposed by management on a two-week "trial basis", at the end of which they would resume their old schedule. All 24 were paid their full salaries back to August 23.

## **Conclusion**

Today the strikers are back at work and on their original 44-hour shift. They face a hard battle in rebuilding the union, as management has tried to isolate them from the other workers by harassment and even some firings of non-union workers for talking to the union members. Management has also formed a "Solidarista Association," a kind of company union that preaches labor/management cooperation and offers its own benefit plan ("solidarista" groups are an increasingly common union-busting tactic in Central America).

The overall balance sheet of the struggle clearly favors the union. Management had declared the plant closed and union workers fired. The union stood up to death squads, to massive police raids, and to economic hardship. Many sacrifices were made, but they won improved conditions for themselves. The struggle now is to extend those conditions to all who are employed by Lunafil—a struggle which they are able to take up because they still have a union.

But perhaps the best measure of the significance of the Lunafil strike is the reaction of other Guatemalan workers. As Guatemala entered a new year in 1989, there were factory occupations in progress at a plastics factory called Petrosteel and at Confecciones Transcontinentales, a clothing plant run by a U.S. women's wear company, Play Knits. As the saying goes, imitation is the sincerest form of flattery. US/GLEP is organizing support for both actions, trying for two more holes in the wall. ■