

National strike in Argentina fails to halt historic labor counterreform and mass layoffs

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Argentina’s Chamber of Deputies approved fascist President Javier Milei’s flagship “Labor Modernization Law” in the early hours of Friday morning, virtually ensuring the final dismantling of the country’s 1974 labor code and clearing the way for a ruthless regime of mass layoffs, wage cuts and workplace abuses.

The vote—135 in favor, 115 against, no abstentions—came on the heels of a limited nationwide strike and day of protests called by the CGT and CTA union federations on Thursday as the lower house met.

Despite widespread anger and a clear willingness to fight, the mobilizations were tightly controlled, confined to a 24-hour stoppage and pressure on Congress, rather than a political general strike aimed at paralyzing production and asserting the power of workers in their workplaces and communities.

As deputies haggled over the bill’s final terms, the government agreed to remove Article 44, which would have sharply limited sick pay, forcing the amended text back to the Senate for a final confirmatory vote next week.

As shown by their limited actions, the union bureaucracies threw workers under the bus to secure their own income, with the government retreating on its proposals to abolish compulsory union dues and cut union-run health plans.

Several Peronist governors also cut a deal to support the law as long as planned cuts to income tax were shelved, hoping to maintain revenue flows to their provinces. These governors ordered their deputies to provide the bare quorum needed to open the session and vote through the bill.

During both Wednesday’s Senate debate and Thursday’s lower-house session, the government deployed massive riot police and gendarmerie contingents. After the unions and pseudo-left organizations deliberately wound down their marches and sent people home, security forces moved in with water cannon, tear gas and rubber bullets, leaving at least 70 injured and 11 detained.

Even watered down, the law constitutes the most sweeping rollback of labor protections since the 1976–83 dictatorship. Paid vacations can now be split and scheduled at the employer’s discretion. Overtime premiums are reduced, and 12-hour workdays are legalized in practice. Severance pay is slashed: end-of-year bonuses, vacation pay and other items are

excluded from the calculation, and payouts can be stretched out over many months, making it easier and cheaper to fire workers. The right to strike is gutted in strategic sectors through draconian “minimum service” requirements. Workplace assemblies are virtually banned, and labor cases are shifted to the pro-employer courts.

The law eliminates “ultraactividad,” the automatic extension of expired collective bargaining agreements until new ones are negotiated. This condemns existing agreements to rapid erosion, opening the door to generalized wage and benefit cuts. It promotes company-level agreements over national sectoral contracts, enabling employers to whipsaw individual plants against one another and drive down conditions.

The limits of the unions’ response were stark. The February 19 national strike was set at just 24 hours, with the only exception being the maritime workers, whose union called a 48-hour strike after discovering that the law simply excludes them from the Collective Agreement Law altogether—placing them in the same legal unprotected status as Uber and app workers.

The goal of the union tops and their pseudo-left advisers in the Frente de Izquierda–Unidad (FIT-U) was not to unleash the full power of the working class, but to stage a controlled protest aimed at “pressuring” Congress and the bureaucracy, promoting illusions that parliamentary maneuvers could restrain Milei.

The social aims of the reform were demonstrated in practice even before the vote. On Wednesday, Argentine tiremaker FATE, founded in 1940 and long a symbol of national industry, announced the immediate, definitive closure of its massive Virreyes plant in San Fernando, Buenos Aires Province, eliminating 920 jobs and threatening at least 2,000 more indirectly.

The plant, which produced over five million tires a year, shut down without warning; workers arrived to find the gates locked and a notice of closure. They responded by climbing the fences, entering the premises and occupying the factory, forcing the tire workers union SUTNA to follow them inside. The closure is directly linked to Milei’s trade liberalization.

The response of SUTNA’s leadership, in the hands of Alejandro Crespo of the Partido Obrero (PO), exposes the

bankruptcy of the FIT-U's program of "recovering the unions" by electing supposedly "revolutionary" leaders.

Crespo was briefly detained with 15 workers on Wednesday for cutting the fence, then told the press: "The closure of FATE is totally illegal; this firm just signed an agreement that it was not going to carry out any type of layoffs until June 30."

He stressed that wages were not the problem: "We have gone for 14 months without a wage increase...here the problem is imports and the exchange rate. The macroeconomic part is managed by the government and the part of investments by the company; they have to come to an agreement and fix this because the workers are not going to permit it... We call upon the CGT to come forward and commit to solving this problem."

Following a decade of real wage cuts, firings and other concessions justified as a means of preventing a closure, now Crespo demands that the government and employers "fix" the problem, while the CGT bureaucracy supposedly is relied upon to represent workers. This is a statement of total prostration and helplessness.

Nonetheless, at Thursday's strike rally, PO leader Eduardo Belliboni responded to the CGT's statement that the 24-hour strike was its "plan of struggle" by defining a "real" plan as continuing to protest outside Congress for each new bill, while hailing SUTNA as an "emblematic, revolutionary" union leadership.

In reality, this strategy can only serve to chain workers to the very apparatus that just delivered Milei's law. The demands on the union bureaucracy and Peronist legislators, like the plant occupation, are not conceived as a step toward defending workers, much less fighting for power. The petty union bureaucrats and bourgeois politicians in the FIT-U are merely seeking bargaining chips in negotiations with the state and management to gain a more prominent place at the table and greater privileges.

This orientation is confirmed by the FIT-U's long-standing defense of economic nationalism, no different in essence from Peronism. PO legislator Néstor Pitrola recently explained his vote against an EU trade agreement on this basis: "We are one of the 22 countries with an auto industry and they are going to destroy it...sectors like tires and textiles are already showing critical levels of imports and idle capacity, in anticipation of a greater dismantling of the productive fabric."

As the WSWS has previously explained about the FIT-U's chauvinism: "all these tendencies uphold the 'right' of the bourgeoisie in the backward countries to defend their state boundaries and exploit the workers, resources and markets within them."

The defense of a "national productive fabric" under capitalist ownership is incompatible with the independent class interests of the working class; it pits Argentine workers against their class brothers and sisters abroad in the name of defending "their" bosses and "their" state.?

While his "shock troops" assaulted protesters in Buenos

Aires, Milei sat in Washington D.C. on Trump's so-called "Peace Council," offering Argentina's White Helmets—"in service of the stabilization force"—for deployment in Gaza.

The International Committee of the Fourth International (ICFI) has repeatedly stressed that the genocide in Gaza and the drive to install US-backed regimes across Latin America are part of the same process: a neo-colonial redivision of the world by imperialism under conditions of deep capitalist crisis.

The assault on labor rights in Argentina, aimed at imposing social austerity, facilitating mass layoffs and restructuring the economy for global finance capital, is one front in a worldwide offensive to enforce dictatorship, militarism and unprecedented enrichment of the financial oligarchy. Its roots lie in the long-term decline of US industrial supremacy, the dominance of "fictitious capital" and financialization, and soaring social inequality.

Trump and the IMF have sunk billions into Milei's program as a laboratory for extracting super-profits from the Argentine working class and turning the country into a bastion of counterrevolution and war—arming it with F-16s and integrating it into US strategic plans.

The only way Argentine workers can fight this is by mobilizing independently and uniting their struggle with workers throughout the Americas and beyond. This requires a break with all nationalist forces, including Peronism and its pseudo-left hangers-on, whose entire perspective is confined within the framework of the capitalist nation-state and whose betrayals and disarming of the working class paved the way for the 1976 fascist-military dictatorship that now serves as a model for Trump and Milei.?

The role of the FIT-U is central in blocking the emergence of a genuine alternative. It denounces the CGT's deals while continually appealing to the same bureaucracy for an "active strike" and "plan of struggle leading to a general strike." Once the CGT grudgingly called a 24-hour stoppage, the FIT-U simply demanded that it be "active," i.e., accompanied by marches, without challenging the CGT's control or the union apparatus as such.

The assault on the workers at FATE, the passage of Milei's law and the unions' deliberate sabotage together demonstrate that the defense of jobs, wages and democratic rights demands the formation of rank-and-file committees in every workplace and neighborhood, independent of the union bureaucracies and based on an international socialist program.



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