

# Argentine union boss pitches corporatist alliance to US executives and fascist President Milei

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Jorge Sola, general secretary of Argentina’s General Confederation of Labor (CGT), participated last week in the summit of the American Chamber of Commerce (AmCham) in Buenos Aires, a gathering of US multinationals operating in Argentina. The event brought together corporate executives, representatives of the US Embassy, fascist President Javier Milei alongside members of his cabinet, governors and other leading political figures.

From this platform of imperialist finance capital, Sola articulated a program that lays bare the role of the Peronist trade union bureaucracy as an instrument for subordinating the working class to the destruction of living standards and labor rights and the turn to fascism under Milei.

Speaking on a panel, Sola declared:

Those of us who represent workers represent the interests of labor power, but we believe in a strategic partnership between productive investment, that productive force of capitalism, and labor... Conflicts must be addressed at a great negotiating table, where the state is also present—a smart and efficient state, not one that merely serves capital and legally subordinates everything to it.

In an interview with the right-wing outlet *Infobae* at AmCham, Sola reiterated this perspective in even clearer terms: “That strategic partnership between those who invest productively and those who generate labor power must exist in Argentina. It has always existed in Argentina and goes far beyond the ideological affinities of the government in power.”

These statements were made in between friendly criticisms of Milei’s “Labor Modernization Law,” approved with the complicity of the CGT, which blocked any real resistance in exchange for discarding clauses that affected the bureaucracy’s source of revenue from automatic dues deductions and other income.

The law imposes longer workdays of up to 12 hours without overtime pay, slashes severance, guts collective bargaining, reduces sick pay and vacation time, and effectively criminalizes strikes in strategic sectors, rolling back protections from the 1974 Labor Contract Act to 19th-century conditions. Not even the US-backed military dictatorship from 1976 to 1983 dared to go so far.

This draconian legislation is centered around facilitating mass layoffs even after Milei’s “shock therapy” has already eliminated 300,000 formal jobs—including 61,000 in the public sector.

In this context, Sola called the new law a “missed opportunity,” explaining that his bureaucracy should be fully integrated into policymaking to sponsor a “productive investment project.” These are not

incidental remarks but a conscious proposal for a corporatist alliance between the union apparatus, Milei’s fascist government and big business under conditions of an unprecedented assault on the working class.

## Corporatism and the CGT’s historical role

While the CGT was founded in the 1930s as a conglomerate of anarchist, Stalinist and socialist unions, its transformation into an appendage of the capitalist state was consummated with the rise of Juan Domingo Perón, who came to power in 1943 as part of a military junta. During a period of post-war economic expansion, Peronism sought to reconcile the interests of industrial capitalists with those of the working class through state mediation.

The CGT formed the Labor Party that initially secured Perón’s election in 1946, adopting a model directly inspired by the integration of trade unions into the fascist state of Benito Mussolini, which Perón had studied while serving as a military attaché in Italy. This system—corporatism—subordinates workers’ organizations to the state, suppressing class struggle in the name of national unity and economic development.

Today, the CGT is offering its services to Milei, proposing a similar alliance between the state, union bureaucracy and corporations. This policy, rooted in fascist ideology, is being advanced under conditions in which Milei is carrying out a restructuring of Argentine capitalism rooted in the devastation of workers’ rights and conditions.

At the AmCham conference, Milei himself responded nervously to data showing the highest inflation in 12 months—exacerbated by the global fallout of policies associated with his ally Donald Trump—by absurdly claiming: “This is not inflation; it’s that the price level jumped.”

Meanwhile, his former minister and current senator Patricia Bullrich made explicit the government’s anti-worker agenda by referring to a clause in the labor legislation elevating firm-specific unions over sector-wide agreements: “Labor modernization is in the hands of companies. Create company unions, go ahead. Dare to hire workers at a 70 percent discount.”

The CGT is responding to such union-busting by proposing a “strategic partnership” to advance an otherwise rabidly anti-working-class agenda.

## US imperialism and the promotion of corporatism

The push for such an alliance is not merely a domestic development. US imperialism has actively encouraged collaboration between the CGT and Milei. The Biden administration's Labor Department held multiple meetings with CGT leaders and Milei officials, urging cooperation and describing the Peronist union apparatus as a "model."

Under Trump, these relations have deepened further, with CGT officials participating directly in councils led by the Milei's administration and corporate events like AmCham.

This policy follows a long historical pattern. The American Institute for Free Labor Development (AIFLD), established in 1961 by the AFL-CIO in collaboration with the CIA, played a central role in transforming Latin American unions into instruments of imperialist policy. It trained union officials to purge leftists, helped prepare coups against left nationalist governments through sabotage and lockouts, and integrated labor organizations into US-backed dictatorships in Brazil, Chile, Argentina and other countries in the region.

### **The CGT's fascistic record**

The CGT's current trajectory is rooted in its long history as an agent of the bourgeoisie. After Perón's ouster in 1955, the federation remained dominated by the right wing of Peronism. When Perón returned from exile on June 20, 1973, CGT-linked gunmen participated in the Ezeiza Massacre, opening fire on left-wing Peronist youth and workers.

This massacre, which left at least 13 dead, marked the consolidation of the fascistic wing of Peronism and paved the way for the formation of the Argentine Anticommunist Alliance (Triple A), a death squad responsible for over 1,500 killings between 1973 and 1976. Organized by José López Rega and supported by sectors of the CGT bureaucracy, the Triple A targeted leftists, intellectuals and militant workers.

By suppressing revolutionary struggles throughout the late 1960s and 1970s, the CGT played a decisive role in paving the way for the US-backed military coup of March 1976 and the ensuing dictatorship.

Today, the CGT continues to support Peronist factions whose representatives in Congress and provincial governments have facilitated Milei's austerity measures. It has also sought closer ties with the Catholic Church, one of the most reactionary institutions in Argentina, proposing a "new stage" in relations with its leadership.

### **The pseudo-left and the FreSU reinforce the CGT**

Another critical component in propping up the union bureaucracy is the role of pseudo-left organizations in and around the so-called Left and Workers Front (FIT-U). Despite covering the AmCham summit, outlets such as *La Izquierda Diario* and factions linked to the Partido Obrero failed to mention the CGT's participation.

One of their most prominent allies, Daniel Yofra, head of the cooking oil workers' union, has been promoting the Unified Union Front (FreSU), which groups them with the metalworkers (UOM) and state workers (ATE) unions. While calling for an indefinite general strike against Milei's policies, FreSU maintains its orientation toward pressuring the CGT and continuing negotiations with the government.

In a radio interview, Yofra defended the CGT's participation in AmCham, stating: "I think it is correct for unionism to defend workers in all sectors where they are invited... If the CGT fulfills its role, I don't see a problem with them going to those places."

At the same time, he acknowledged having dinner with industry chiefs and participating in Milei's advisory "Council of May," which resulted in the labor reform now being imposed.

"We do not represent an opposition to the CGT," Yofra added, "we are an alternative" for workers disillusioned with its leadership, that is, an alternative that ultimately channels opposition back under the control of the same bureaucratic structures.

"We are not considering breaking with the CGT or replacing the government; we want to live better," he said.

Demonstrating that its own criticisms of the CGT and the government are merely aimed at blocking the class struggle, Yofra warned of a potential "social explosion," he said "that is exactly what we have to try to avoid."

Similarly, the FIT-U, including one of its component parties, the Partido Obrero, focuses on pressuring the CGT and CTA rather than mobilizing workers independently.

### **The FATE struggle and the deepening crisis**

The bankruptcy of this perspective is evident in the struggle at the tire manufacturer FATE, where 920 workers were laid off. Workers organized in the SUTNA union have occupied the factory and led several protests, while relying increasingly on solidarity funds to survive.

The layoffs are part of a broader collapse, with over 20,000 workplaces shutting down across Argentina.

Despite militant actions, the union leadership's strategy remains focused on appealing to the CGT and the provincial government of Buenos Aires controlled by Peronism. At a demonstration in the Plaza de Mayo, Partido Obrero leader Gabriel Solano declared: "We need this struggle to succeed... That's why we demand a national strike from the CGT and CTA."

This orientation serves to subordinate the growing anger of workers to the very apparatus collaborating with Milei.

### **The way forward**

Milei, far from his right-wing populist pretense of opposing the "political caste," is constructing a corporatist regime in which all institutions—state, unions and corporations—are integrated to guarantee the upward transfer of wealth to the financial oligarchy.

He enjoys the support of virtually every section of the bourgeoisie and is aligning Argentina's military and foreign policy with Washington, while advancing extreme right-wing ideological positions.

Within this framework, different factions of the union bureaucracy perform a division of labor: the CGT openly collaborates, while the CTA, FreSU and pseudo-left currents adopt a more "combative" posture to channel opposition back into the CGT.

The events at AmCham and Sola's statements confirm that the trade union apparatus is not an instrument for defending the working class, but an instrument of its class enemies.

As Leon Trotsky warned in 1938, in periods of acute class struggle, trade union leaders seek to "become masters of the mass movement in order to render it harmless," often integrating directly into the bourgeois state.

This process has deepened under globalization, with unions increasingly functioning as partners of corporate management.

The objective conditions now confronting workers—the international integration of production and the global mobility of capital—demand a new strategy. The defense of jobs, wages and democratic rights immediately pose the question of workers’ power and cannot be entrusted to organizations tied to the state and imperialism.

In his *History of the Russian Revolution*, Leon Trotsky documents the rapid growth of coordinated lockouts and factory closures in the months before the October insurrection—hundreds of plants closed in successive months, throwing tens of thousands out of work and fueling the radicalization of workers and factory committees. The Bolsheviks linked factory committees and soviet power, raising a program that addressed the social control of industry and the political overthrow of the capitalist state as the opening shot of the world socialist revolution.

What is required today is no different: the building of independent rank-and-file committees, uniting workers across industries and national borders, and breaking decisively from the union bureaucracy and its pseudo-left appendages. Such organizations must form part of the International Workers Alliance of Rank-and-File Committees, which fights to coordinate struggles globally.

At the same time, the political struggle against capitalism and fascism requires the construction of a revolutionary leadership in Argentina, as part of the International Committee of the Fourth International.

Only through such a break, and the development of an international socialist movement, can the working class protect jobs, counter the drive toward corporatism, dictatorship and war, and reorganize society on the basis of human need rather than profit.



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