## **Workers Without Bosses**

Workers' Self-Management in Argentina

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The last 30 years in Latin America have seen the introduction of neo-liberal policies — structural adjustment programmes, austerity measures, a shift from the industrialisation and "internal accumulation" model to one that favours promiscuous financial capital, free trade agreements and an increasing economic dependency of the region on the USA. As usual, the people have suffered the worst part of these policies — high levels of unemployment and depression of wages and the standard of living. People's most immediate and basic needs were expendable when it came to the real priorities of local governments: the payment of the fraudulent external debt & the maintenance of high levels of profits for both the local and the foreign bosses.

In Latin America, due to the bosses' onslaught of the 80s and 90s, we've reached a situation which is in sharp contrast with the political scenario of the 70s and early 80s. We have moved from a situation in which the working class was on the offensive, to one in which the working class and the popular movement in general is on the defensive. The 90s, in particular, have been characterised by a fragmentation of struggles and by the lack of a sense of unity in the fight of the different popular actors, and by an offensive of the ruling class. But signs that a crisis is brewing for a model that has run out steam are revealed by the different uprisings all over the continent, in Ecuador, Venezuela, Bolivia, Perú and Argentina.

All these upheavals have a common sign: they indicate, in a looming fashion, a new scenario, in which the popular movement has the possibility once more of going on the offensive. The experiences of the Argentinean people over the last three years are inscribed in that context, and show, with all of its internal contradictions, the potential and the limits of the current context of agitation in South America. And, undoubtedly, the emergence of a new popular movement expresses the strengthening of regional opposition to the economic dictates of the international financial bodies. They show a new favourable moment for the spread of revolutionary politics, signalling a new path for the deliverance of the exploited and the oppressed throughout the region.

## The "Argentinazo"

Argentina surprised the world on December 20, 2001, when a spontaneous popular uprising obliged the former president, Fernando De La Rúa, to resign. It seemed that all of a sudden the most prosperous economy of Latin America was on shaky ground. But the reality is that the symptoms of the Argentinean crisis were felt well before that, and what happened was nothing but the expression of an accumulative crisis that erupted into a "volcanic" popular anger on that day.

The popular anger was the expression of a deep economic crisis, common to all of Latin America, that sprang from the dictatorships of the 70s and their process of de-industrialization, which worsened in the 90s with the frantic introduction of neo-liberal policies by the government of Carlos Saúl Menem. By the end of the decade the crisis was indisputable: unemployment was well over 20% and steadily growing, there was total stagnation of the productive activities of the medium and small industries, a persistent recession in the period between 1996–2001 and an external debt that was out of control. These were all clear symptoms that something was not working in the 'model economy' of Latin America<sup>1</sup>.

<sup>&</sup>lt;sup>1</sup> Hombre y Sociedad No. 14, Suplemento. Diciembre 2001.

The development of the crisis throughout the 90s lead to the emergence of the unemployed workers movement as a new dominant player in the popular struggles in Argentina. The Piqueteros, as they are called, emerged in the middle of the 90s, as a new type of organisation, demanded work through blockading of roads. They were pretty much inclined to direct action and, in many cases, to horizontal forms of organisation<sup>2</sup>. Soon they became a real alternative to the bureaucratised trade unions and to the increasing problem that an important segment of the working class was not represented in the unions (due to them being marginalised through their unemployment). This movement was the first ring in the bell of a deep social crisis that was becoming deeper and deeper.

Apart from people's deteriorating living standards and the increasing difficulties of the successive governments in dealing with the worsening economic situation, it is necessary to consider a new factor in order to understand the political crisis of that year: the internal frictions between sectors of the bourgeoisie (ruling class). One was represented in the new governing party (UCR, a liberal party) and the other by the Peronists (PJ, a nationalist movement, with populist strands, but with strong rightist trends). From the very beginning of the De La Rúa government the PJ started to use all of their forces to oppose and destabilize his government (bosses' confederations, unions and parliamentary opposition), as they saw in this a plausible way to recover their lost power and political influence, and pave the way to become the next government.

That explosive mixture of inter-bourgeois conflict — deep economic crisis, suffocating external debt, middle class unrest, the bankruptcy of the banks (which made the government impose a "corralito"<sup>3</sup>, a "fence", on the savings, as the people were running to get their savings out of their accounts) and the unbearable conditions of life for the working class — all exploded on the 19<sup>th</sup> of December of 2001, when different actors (the unemployed, middle classes, neighbours, etc.) came out to demand the end of "corralito" and the resignation of the government. Suddenly prosperous Buenos Aires was under siege by the suburban morochos and negros (in posh Argentinean jargon, anyone whose colour of skin happens to be darker than marble) coming from the poor slums, from those sectors of Argentinean cities that certainly doesn't look like a South American Italy<sup>4</sup>.

The movement took over the streets, and after 48 hours of struggles and clashes with the police, they toppled the unpopular government of De La Rúa. Immediately, popular assemblies flourished in almost every neighbourhood in Buenos Aires while the piqueteros went on the offensive. And the left felt over confident about an achievement in which really no group or party merited hardly any credit at all. Many in the left went further and tried to decipher in the events of December a new revolutionary subjectivity, a new way of doing a "revolution", confusing the toppling of a government with the deep changes required to overcome capitalism in revolutionary terms — this in fairness, was nothing but recycled old spontaneism. But that revolutionary fight won't be won by the working class in the streets, but in the factories, in the fields, mines and workshops; not by toppling presidents, but by affecting the logic of capitalist society and expropriating the bourgeoisie while destroying the State and all other bourgeois institutions, building at the same time, from the bottom up the new institutions of direct democracy.

<sup>&</sup>lt;sup>2</sup> Though over the last couple of years, there has been an increasing tendency in some piquetero tendencies to bureaucratisation.

<sup>&</sup>lt;sup>3</sup> A demand that was mostly felt by the middle class.

<sup>&</sup>lt;sup>4</sup> A large proportion of the population of Buenos Aires are descendants of Italian immigrants.

### The new economic situation

Some people definitely thought that the December upheaval had gone further than it really had and that the revolution was around the corner. In reality the political scenario is far more complex, with the ruling classes returning to the offensive while the situation in Argentina has not improved at all: 40% of the population is still living in poverty while hunger affects the stomach of 25% of the population. Unemployment is still no less than 21% and precarious employment affects 70% of the working class. 10% of the population takes 51.7% of the national income, and inequality is increasing — in 1991, the richest 20% in Buenos Aires was 17.5 times richer than the poorest 20%; in 2003, it was 52.7 times richer. The external debt, keeps growing, and was U114,600,000,000 in May 2002, early this year it was U $178,000,000,000^5$ . In this context, Argentina is still drowning in a lasting crisis, with no hope of an end in the short term, not even in a reasonably long period of time.

When De La Rúa was toppled by the popular uprising (followed by the short government of Rodr"guez Saa), Duhalde, assumed the presidency, and the whole mission of his government was to preserve "normality", i.e. to preserve the institutions and the economic model; in short to guarantee a transition...to more of the same. And the new president, Kirchner, who was inaugurated in 2003, has followed this trend: keep denouncing neo-liberalism, but leave capitalism untouched. Denounce the international pressure on the poor countries yet keep prioritising the payment of the external debt over raising the living standards of the population. And most of all, he keeps repressing the popular movement, playing the game of divide and rule as well as demonising the protests. Despite the illusion of some leftists, who internationally see a progressive trend in Kirchner's style of politics, his government is actually more of a desperate attempt to preserve the old world and its institutions, albeit an attempt disguised in different clothes.

#### The experience of the factories under self-management

As a product of the last few decades of the neo-liberal model and its financial emphasis, industrial activity has fared poorly and this has naturally meant the decline of Argentinean industry. The first experiences of "f·bricas recuperadas" (reclaimed factories) happened seven years ago, in the moments of deepening economic crisis in Argentina, well before the social explosion of the 19<sup>th</sup> and 20<sup>th</sup> of December.

They were the expression of a working class on the defensive, trying not to lose their jobs, trying not to fall into unemployment. They were far from being the expression of a working class on the offensive.

The first of the occupied factories, the cold-storage enterprise YaguanÈ, was taken in 1996; then, in 1998, came IMPA, and then in the year 2000 90 metallurgist workers from the Buenos Aires district of Avellaneda seized the GIP metal company. They formed the Cooperative "UniÛn y Fuerza" (Unity and Strength), and in January 2001, after paying compensation, opened a factory in a place which over the last years had seen more than 1,000 enterprises go bankrupt<sup>6</sup>. That year, the tiles company from NeuquÈn, ZanÛn, and the textile factory Brukman in Buenos Aires, were both abandoned by their respective bosses and seized by the workers. Brukman was seized on

<sup>&</sup>lt;sup>5</sup> EN LA CALLE, Buenos Aires, No. 52, june-july 2004.

<sup>&</sup>lt;sup>6</sup> CNT, No. 301, May 2004.

December 18<sup>th</sup>, just one day before the "Argentinazo". ZanÛn has increased productivity and created new working posts (250 workers now run the factory). Jacobo Brukman, the ex-owner of Brukman, expelled the workers on April 18<sup>th</sup> last year, but in October 2003, the company was finally declared bankrupt, expropriated and given back to the cooperative of workers "18 de Diciembre", so the workers could start production once again, while singing "Aqu" est·n, estas son, las obreras sin patrÛn" (Here they are, these are the workers with no boss)...

In the meantime, the owner had destroyed the machinery, and the workers were camping for six months outside the factory, preventing the attempts of the boss to restart production with scab labour<sup>7</sup>. Today, there are some 170 seized enterprises, and 10,000 workers are taking part in that experience of collective work. In all of them managerial hierarchies have disappeared and the income is shared equally by all workers. In the past, some companies spent 65–70% of their revenues on bosses' and managers' wages.

When the "Argentinazo" came, in December 2001, the seized enterprises started weaving a network of solidarity around them through the many activists that started giving them strong support. The popular assemblies opened their doors to them as well. Soon they started to organise to fight collectively for the demands that they had in common. The first thing was to change the law regarding bankruptcy. This law states that, after an enterprise is declared bankrupt, its machinery and facilities should be auctioned in no more than 4 months time, in order to pay the creditors. And in the cases where workers have seized the factories, where compensation has been requested and otherwise, the owner can reclaim his property after a while. The workers claim that this law favours the payment of the debt over the right to work or the continuity of production.

The government currently is preparing a modification of the law, widely rejected by the workers as it would allow a shareholder model in the enterprises, which attacks the demand of the workers that every one of them should enjoy a working condition free of dependency.

The enterprises organised in the MNER (National Movement of Seized Enterprises), that have taken the legal form of cooperatives, demand modifications to this law. Some enterprises that aren't organised in this movement demand the application of Article 17 of the Constitution (the most prominent of which is  $Zan\hat{U}n$  — Brukman was also among them, before switching to form a legal cooperative last year). This article states that expropriations can take place when the public benefit demands it. They declare that, just like when there is an expropriation to build a road there should be expropriations of some enterprises in order to create more employment. This is the main controversial issue in a broad movement that is united by the will of the workers to keep their employment, but at the same time, of changing radically the relationships of dependency, hierarchy and exploitation, into relationships of mutual aid and equality (wages are all equal in those factories).

Thus, in the middle of a crisis, under the motto "Ocupar, Resistir, Producir" (To Seize, To Resist, To Produce), the workers have spontaneously showed the world their skills to keep society going, once the employers have fled.

<sup>&</sup>lt;sup>7</sup> *CNT*, No. 298, February 2004.

### **Problems and prospects**

#### a. Relations between the political actors and the new emerging social movement

The Argentinean upheaval in December 2001 wasn't headed by any of the leftist parties. Many of those parties and groups undoubtedly had a presence in many of the working class organisations but the rebellion happened spontaneously and was autonomous of those organisations.

This opened a new scenario for organisations born right out of that revolt, like the popular assemblies, that tried to search for a type of politics quite different to the one of the traditional parties (both to the left and right). But remaining with spontaneity, they were unable to develop a political project that could have given coherence in the long term to the whole experience of organisation from the bottom up. And on the other hand, most of the leftist parties insisted in assuming the traditional link between political groups and social movement — one in which the social movement assumes a passive role, and the "political" actor is the one that assumes all responsibility.

The intuition of the people rejected this; but intuition is not enough, and sooner or later, they ended up "accepting" the traditional role of the official or leftist parties, or the experiences they had built were drowned in their own contradictions. This was, dramatically, the case with most of the popular assemblies. Thus, the original battle cry of Argentinean people "Que se vayan todos" – We want all of them out – that expressed the will to break with the corrupt bureaucracies, with the political class, turned out with all of them staying in the end.

And at this point, an anarcho-communist alternative has a lot to say, for this current is the one that, in rejecting the State and traditional forms of politics, in advocating direct democracy and direct action, had more to offer to the Argentinean people. And anarcho-communism was the political current that could have played a key part in giving a political framework to the development of a strategic revolutionary and political programme for the people, based on their own experiences, but using the resources given by previous revolutionary international experience, from which anarchism is nurtured. Such an alternative is still to be built, but definitely many comrades are working on that task in Argentina.

#### b. Property and management.

One of the main debates in the left around those enterprises is what immediate solution to follow which would be in harmony with a revolutionary project — should the factories be in the hands of the workers themselves as cooperatives, or should they should be managed by the workers, but owned by the State. A quote from an article in EN LA CALLE, paper of the Argentinian anarcho-communist group OSL (Socialist Libertarian Organisation), poses the problem in very accurate terms and links it to the anarchist alternative:

"In this context, various leftist currents tried to install the debate workers control vs. cooperatives. 'We fight for nationalisation... we don't want cooperative... thus, we don't have the ghost of competition haunting us...' said Celia Mart"nez, of Brukman's internal commission (then candidate for the Trotskyist PTS<sup>8</sup>), confusing the legal status of cooperative, needed for expropriation,

<sup>&</sup>lt;sup>8</sup> Trotskyist party.

with the political prospects of cooperativism. Their proposal consists of demanding expropriation with no payment, that the Sate provide initial capital, that takes the task of paying salaries and, in some cases, that it buys production. In other words, that the State gives, but the workers plan and manage. Expropriation makes necessary that workers adopt a legal status like, for instance, cooperative. But despite Brukman, Zanun, Ghelco, Panificaciun 5, Grisinupolis, among other 150 seized factories adopted this status, the problem is far from being a legal one.

Statisation under worker's management is only possible in the context of a State subject to the workers and people's power (to understand this strategy doesn't mean to share it). To demand to the bourgeois state that expropriation wouldn't be a solution in the capitalist context, but that would transform it into exercise of workers' power by giving the factories back to the workers themselves, taking charge over wages, giving an initial capital, taking into account that the same State-government was the architect of the situation in which those workers are now, and also that the workers' movement is in a purely defensive phase, is nothing but an illusion.

On the other hand, Cooperativism is not a project that gives a definite solution to the workers' problems. It is far from giving an answer to the bulk of the workers, according to their interests. It never questions the capitalist relationships of production, it only questions superficial features (monopolies, competition, etc.) it is less feasible to create, through a network of cooperatives, a subsystem parallel to capitalism.

The idea of workers' management of production and society implies that the only power in a revolutionary society is that of the organisations of the working class. This workers' management should be understood as the abolition of all power exercised by a minority, the abolition of bourgeois power, that is to say, the abolition of any form of State. We, the workers, shouldn't just assume the workers' management in the fields, factories and workshops, but also, in the rest of society"<sup>9</sup>

Thus, according to the comrades, the solution was not in one or the other as political projects (cooperativism, or workers' management with Statisation), but in providing the conditions for workers not to lose their jobs — i.e. by assuming the legal status of cooperative (without politically assuming cooperativism) — to retain the capacity for self-organisation and in the collective search of a global alternative way of organising society, understanding that whatever reforms we can win now are only partial steps that need to be complemented by the struggles given by other actors in the popular struggle.

#### c. Towards a Society Free of Managers and Capitalists?

The Argentinean experience, despite the many contradictions and problems they face, shows unequivocally the superfluous nature of a ruling class, or of a class of managers. Whenever the bosses proved unable to administer the industry and to keep it producing, the workers organised and demonstrated that they can do it as well — and better. The history of the exploited's movement is full of such examples (Chilean industrial networks, Spain and its industrial and rural collectives during the Revolution, Soviets and Workers' Councils in Russia in 1917, etc.) and the Argentinean experience shows us once again that the working class has lost nothing of its intrinsic capacity after a century and a half of proletarian struggle. It shows us the fundamental factor of production: without workers, bosses are unable to run industry; without bosses, workers can do it better.

<sup>&</sup>lt;sup>9</sup> EN LA CALLE, Buenos Aires, No. 49, Septiembre 2003.

These experiences also highlight many of the problems anarchists elsewhere face in the wake of popular risings and they show us that the building of a libertarian society is not a matter of repeating clichés and slogans. There are no easy answers, and the experiences will vary greatly according to the local factors, taking into account the much-dismissed legal problems, economic limitations and local history of working class resistance. The revolution doesn't happen overnight, but it is the accumulation of different factors, happening in different places and times. We have to link them all in a coherent way with a revolutionary and anarchist strategy, which demonstrates the importance of building an anarchist organisation, as we anarcho-communists advocate<sup>10</sup> to serve as a catalyst for the people's struggles. Pure spontaneity is not enough.

We have to start thinking seriously of the sort of problems faced by the experiences of working class resistance in the pre-revolutionary period (the relationship between property relations and management of production, for example, as clearly posed by the experience of the seized factories; the relationship between the popular movement and the political organisations). We have to consider the concrete conditions of the struggle and the particularities wherever the struggles are happening, in order to have clear policies and practical answers. And at the same time, being able at a programmatical level to understand the different struggles and to link them together in order to pave the road towards the libertarian revolution.

All of these experiences prove that the anarchist aspiration of a society free of managers (both economically and politically<sup>11</sup>) and capitalists is not a lofty utopia, but a real possibility, rooted in the present, in the capacities of the working class itself. Again and again history proves that the moment for social justice and freedom is ripe, here and now, and that all we have to do is prepare the moment, organise and fight to make it a reality sooner rather than later. Therefore, when anarchists demand the impossible, all they show is that the realm of the possible is wider than what the bourgeoisie would like us to believe. And we demonstrate that every social experience, every revolutionary action in the constant movement of the oppressed against their oppressors, which requires the organised forces of anarchism to take a paramount role, highlights new problems, new perspectives, while laying, in the very corpse of the capitalist regime, new bricks in the building of the society free of managers and capitalists.

<sup>&</sup>lt;sup>10</sup> The efforts of our comrades of OSL in Argentina, of OCL in Chile, and of the WSM in Ireland, among others who have grasped the spirit of the "Platformist" current of anarchism, are directed in this way.

<sup>&</sup>lt;sup>11</sup> Regarding to a society "free of political managers", that is, where the State as an institution is abolished, the Argentinean experience of the Popular Assemblies give a good insight into that, as just like the workers in the seized factories took production and their workplace into their own hands, people in many neighbourhoods of Buenos Aires took the political affairs in their own hands in those horizontal spaces of self-organization.

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