

The Social Innovations of *Autogestión* in Argentina's Worker-Recuperated Enterprises

Cooperatively Reorganizing Productive Life in Hard Times

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Argentina's worker-recuperated enterprises (*empresas recuperadas por sus trabajadores* [ERTs]) have shown to be promising grassroots solutions by workers to the sociopolitical and socioeconomic crises that resulted from the country's collapsing neoliberal model at the turn of the millennium. The author first explores the historical conjuncture in which ERTs emerged. Second, the author theoretically situates ERTs' practices of *autogestión* (self-management) and workers' cooperativism. Third, he sketches out their most common microeconomic and organizational challenges. Last, the author maps out four "social innovations" being spearheaded by ERTs, appraising the social and economic transformations that these innovations prefigure, especially during hard economic times.

Keywords: *self-management; workers' cooperatives; worker-recuperated enterprises; neoliberal crisis; political economy of Argentina*

Argentina's *empresas recuperadas por sus trabajadores* (worker-recuperated enterprises [ERTs]) emerged out of the first signs of the unraveling of the country's neoliberal experiment circa 1997 to 1998 (Fajn 2003; Rebón 2004; Ruggeri 2006). As the country's neoliberal model reached a breaking point at the turn of the millennium, small and medium-sized business bankruptcies swelled to historically unprecedented levels while more and more workers fell into the ranks of the structurally unemployed. With traditional union tactics proving incapable of addressing workers' immediate needs, and with an impotent state on the defensive as social,

Author's Note: Many thanks are owed to the following individuals for patiently reading and offering constructive critiques of early drafts of this article: David McNally, Viviana Patroni, J. J. McMurtry, Greig De Peuter, Albert Banerji, Andrew Feenberg, and the article's three anonymous reviewers.

economic, and political crises rendered it incapable of responding to soaring immiseration and business failure, some workers took matters into their own hands by occupying and reopening their bankrupted or failing firms as workers' cooperatives under the auspices of *autogestión* (self-management). In the ensuing years, ERTs have offered new hope for workers in hard times. In particular, they have crafted promising—and workable—alternatives for Argentina's workers to self-control their labor and their means of production while forging promising economies of solidarity that both contest and begin to move beyond capitalist market logics.

To date, the ERT phenomenon in Argentina involves roughly 180 mostly small and medium-sized enterprises estimated to include between 8,000 and 10,000 workers (Ruggeri, Martínez, and Trincherro 2005).¹ While ERTs constitute only a small fraction of the country's approximately 14.3 million officially active participants in its urban-based economy (Ministerio de Trabajo, Empleo, y Seguridad Social de la República Argentina 2005), labor expert Hector Palomino (2003:72) pointed out that the political and economic impacts of Argentina's ERT phenomenon are more "related to its symbolic dimension" than to the strength of its size. Despite their small numbers, ERTs have inspired "new expectations for social change" in Argentina, since they especially show *innovative and viable alternatives* to chronic unemployment and underemployment (p. 72) and the "institutionalized system of labour relations" (p. 88). Indeed, ERTs not only show Argentine workers' innovative capacities for saving jobs and avoiding the fate of precarious welfare plans or structural unemployment, they also illustrate workers' capacity for adeptly managing their own working lives. As such, I extend Palomino's analysis here and argue in this article that Argentina's ERTs more fundamentally show *innovative alternatives for reorganizing productive life* itself, especially during hard, crises-riddled economic times. These alternatives, I implicitly argue, prefigure other possibilities for economic and productive life that, at the same time, emerge from within, resist, and move beyond the dross of a neoliberal system in crisis. The team of activist anthropologists at the University of Buenos Aires working with a number of Argentina's ERTs calls these alternatives their *social innovations* (Ruggeri 2006; Ruggeri et al. 2005). These social innovations are undergirded by the notion of *autogestión*, the driving concept that guides the directly democratic values and practices contouring ERTs' cooperativized organizational and labor processes. As I address throughout this article, ERTs' cooperatively reorganized and self-managed workplaces and their engagement with solidarity economies point to the viability of worker-led paths to socioeconomic transformation despite chronic production, financial, and other challenges these firms continue to face.

I begin by pointing out the macroeconomic and macropolitical conjunctural factors that most directly contributed to the rise of worker-recuperated enterprises in Argentina. Second, I link the concept of *autogestión* and the organizational framework of workers' cooperativism to ERTs' cooperativized production practices. Third, I map out several of the most salient challenges faced by ERTs' day-to-day practices of *autogestión* within Argentina's current conjuncture of intensive market

competition in a recovering national economy. And last, I explore ERTs' four overarching social innovations that arise immanently out of, yet also begin to move beyond, their micro- and macroeconomic challenges. These four social innovations are (1) ERT protagonists' *creative responses to intensive market competition and financial and production challenges*; (2) their *commitment to democratize and cooperativize labor processes and divisions of labor*; (3) their *reclamation of social production* within solidarity economies that recuperate workers' surpluses and potentially contest notions of surplus value and surplus labor; and (4) their *rediscovery of notions of social wealth*, opening up workplaces to the community and strengthening the social value of these worker self-managed workspaces. In the concluding passages of the article, I propose that ERTs should provide much inspiration for workers facing growing job losses and business bankruptcies in our current moment of global financial crisis (Andrews 2009; Feintzeig 2008; Steinhauer 2008).²

Five Conjunctural Realities Underpinning Argentina's ERTs

Conjuncture of Economic Precariousness

Beginning around 1995 and coming to a head in the crisis years of 2001 to 2003, thousands of small and medium-sized businesses in Argentina began to lose market share while amassing unwieldy debt loads due to the drying up of local and export markets during the country's economic liberalizations of the 1990s. In the name of curbing hyperinflation and reducing a surging national debt that, paradoxically, continued to rise throughout the 1990s, Argentina's International Monetary Fund-sanctioned liberalizations included the "dollarization" of the peso (Economic Minister Domingo Cavallo's "Convertability law"), the privatization of over 150 once nationalized or public sector firms, the erosion of decades-old labor protections, and the foreign capitalization of large portions of Argentina's industrial and agricultural base (Petras and Veltmeyer 2004). By the mid-1990s, it was clear that these neoliberal policies were negatively affecting the competitive advantage of Argentine products in foreign and national markets (Damill 2005). Specifically, the large wave of privatization schemes, company downsizings, outsourcing, and deregulation of labor markets and other antilabor practices were underpinned by a mass outflow of capital to foreign economic interests, compromising the competitiveness of thousands of firms throughout the country (Boron and Thwaites Ray 2004; Patroni 2004). Producing severe microeconomic crises at the point of production that cut across all urban economic sectors (Palomino 2003, 2005; Rebón 2004), this macroeconomic situation eventually caused a growing number of firms to declare bankruptcy at historically unprecedented rates starting around 1995.³ By the apogee of the neoliberal collapse in late 2001 and early 2002, with Argentina's default on its national debt, the national month-to-month business bankruptcy rate

had reached its highest point in Argentina's modern history; during the Carlos Menem and Fernando de la Rúa presidencies (1989 to 2001), bankruptcies soared from an average of 772 per month in 1991 to over 2,600 per month by late 2001 (Magnani 2003:37).

Risking entering the ranks of the structurally unemployed that by the first quarter of 2002 affected well over 20 percent of Argentina's active, urban-based workers (Levy Yeyati and Valenzuela 2007),⁴ the response by some of Argentina's workers was to occupy and attempt to subsequently self-manage their failing or failed firms under the legal rubric of a workers' cooperative. Rather than being impelled by a revolutionary cause, traditional union demands, or the leadership of mainstream political parties, in actuality, these responses were, at first, highly risky and localized tactics carried out by desperate workers willing to face violent repression by the state and returning owners to save their jobs, continue to feed their families, and safeguard their dignity. Initially, then, ERT protagonists took on the challenges of self-management out of necessity heightened by the lack of alternative employment within a morally bankrupted political and economic system that looked the other way while countless business owners engaged in nefarious schemes to save their dying firms at the expense of the well-being of employees.⁵ That is, workers' initial actions involving the seizure of deteriorating or bankrupted companies, the occupation of them for weeks or months, and their reopening as workers' co-ops tend to initially arise most directly out of *fear* and *anger*. As such, ERTs were first impelled by pragmatic and phenomenologically immanent responses to worker-protagonists' *deep worries of becoming structurally unemployed*, a life situation that Argentine workers have since termed "death in life" (Vieta and Ruggeri 2009:202).

Conjuncture of Deep Class Divisions

Everywhere in Argentina, conspicuous consumption has, since at least the mid-1990s, intermingled with historically high levels of poverty and indigence even despite the relative recomposition of the country's national economy (a recovery due in part to tight fiscal and monetary policy and favorable world commodity markets during Néstor Kirchner's presidency) (Levy Yeyati and Valenzuela 2007). Over the past fifteen years or so, deeply structured economic and social divisions have visibly etched everyday life in Argentina as continued social tensions between the haves and have-nots fuel a culture of combativeness among the country's marginalized groups (Almeyra 2004).

Moreover, and at the expense of the well-being of its rank and file, Confederación General del Trabajo de la República Argentina (the General Confederation of Labor of Argentina [CGT], the country's largest union central) helped foster the antilabor climate of 1990s as it bought into President Carlos Menem's neoliberal reinvention of the country's economy and his complementary redesign of the Peronist party, the CGT's traditional political ally (Palomino 2005). It is not surprising, then, that ERTs have received little support from traditional unions. With the exception of few

supportive union locals, such as the Quilmes branch of the steelworkers union and Asociación Nacional de Trabajadores Autogestionados (the National Association of Self-Managed Workers [ANTA]), the incipient union for self-managed workers formed in 2005,⁶ the Argentine labor movement has been only tentatively supportive, indifferent, or outright hostile to the plight of ERT protagonists. Enscenced within the neoliberal consensus that permeated even Argentina's official representatives of its working class, and with widespread bafflement among traditional union leaders as to how to deal with workers who no longer reported to bosses, most unions have chosen instead to focus their efforts on employees who continue to work under bosses (Vales 2005). As a result, and with the exception of the important support they received from smaller political parties of the Left, neighbors, and sympathetic social activists, academics, and social movement organizations, ERT protagonists were mostly left to fend for their own destinies in a sea of neoliberal values and practices that effectively denied them much-needed union advocacy.

Conjuncture of Horizontalism and Resistive Subjectivities

With a dearth of options left for working people on the brink of structural unemployment, between 1995 and 2005—and especially between 2001 and 2003—class divisions crystallized into the strident radicalization of marginalized groups. A *contagion of bottom-up popular resistance and horizontalism*⁷ spread across Argentina's marginal sectors throughout this period, witnessed in the widespread direct action tactics of property occupations and squatting, the *piqueteros*' now famous road blockages, spontaneous community mobilization, and directly democratic organizing structures (Palomino 2003; Sitrin 2006). What spilled over from these grassroots mobilizations onto all forms of popular struggle was a renewed sense of collective purpose against a callous, exploitative, and socially alienating system; a growing ethos of self-organization and direct participatory democracy “from below” (Colectivo Situaciones 2004, para. 3); and a massive “reactivation” of “communitarian social experience” (Svampa and Pereyra 2004:233). Antonio Negri (2003) observed that the responses of groups such as the *piqueteros* to the radical liberalization of the national economy bore witness to a new “energy of universal conviction and of egalitarian social recomposition” (p. 2) that emerged from the urban *barrios* and industrialized towns of the country at the time. This contagion intermingled with a long history of working-class militancy and workers' collective imaginary of Argentina's Peronist-led “golden years,” which included a strong labor movement, a prosperous working class, and a mostly nationalized and self-sustaining economy. By the early years of the new millennium, there was much cross-pollination between grassroots social justice groups, highly visible in the diverse composition of those engaging in the daily protests that took place across the country's urban centers (Almeyra 2004). As such, up until 2005 and the relative recomposition of Argentina's economy (which, it should be said, included the government's co-optation of some of these grassroots groups via strategies of assistentialism and clientelism), much of

the routines of daily life in urban Argentina were peppered by constant protests, the occupation of land by the dispossessed, workplace takeovers, and road stoppages by myriad marginalized groups demanding better living conditions and social change (Vieta 2005).

These are the most direct roots of Argentina's wave of workspace recuperations that merged with ERT protagonists' memories of past workers' struggles. As such, ERT protagonists' tactics of workspace occupations, while distantly rooted in cultural memory of past labor struggles, were, on one hand, most directly modeled after the new social transformations that were taking shape around them at the time. On the other hand, and simultaneously, the practices of workspace occupations and recuperations were themselves influencing other social and cultural expressions of self-determination. Moreover, Argentina's "communitarian social experiences" were also encouraged by the contagion of directly democratic and popular forms of resistance across Latin America that were surging at the same time (e.g., Bolivia's water wars, Brazil's landless peasants movements, Mexico's Zapatistas). For many workers in Argentina, participation in direct action to recuperate and recompose their workspaces, both modeled after and also influencing the new social movements' strategies and tactics that were taking shape around them, seemed to be the only viable alternative left in the face of a retreating and ineffectual state committed to its neoliberal project.

Conjuncture of Tight Community Bonds

Geographically and ideologically, ERTs are situated deep within the community in which each enterprise finds itself. There is both a spatial dimension and a community imaginary that intermingles with the emergence of *autogestión* in Argentina. For example, and as I describe in the last section of this article, economies and networks of solidarity between a recuperated enterprise and its neighborhood and other local ERTs have in some cases emerged into community links of mutual aid. This is driven in part by the fact that most workers live in or near the neighborhoods where the enterprises are located. Moreover, neighbors were often supportive of and at times active players in the recuperation of workplaces. Consequently, neighborhood cultural centers and other community services tend to organically emerge within many recuperated enterprises as a way of giving back to the neighborhoods that supported them, as a way of further valorizing the ERT within the community, and also as a strategy for protecting the ERT from ongoing repression and threats of closure via the bonds of solidarity that form within these interlaced communities of mutual assistance.

Conjuncture of Cooperativism

Cooperativism has a long tradition in Argentina extending as far back as the early waves of European immigration in the late nineteenth and early twentieth centuries.

Many of these immigrants brought to their new country the anarchist, socialist, and cooperativist ideals of their homelands, ideals that guided the early Argentine labor movement in the first years of the twentieth century (Munck, Falcon, and Galitelli 1987). Subsequently practiced in myriad economic sectors and entrenched in national business legislation, the country's ERTs have adopted the framework of cooperativism as an important legal organizational model in light of the paucity of other legal frameworks for these former owner-managed, now worker-recuperated enterprises. I explore the implications of this broad adoption of cooperative values, structures, and practices in more detail in the last half of this article.

Micropolitical and Microeconomic Factors Impelling ERTs

Emerging out of these five broad conjunctural realities, ERT protagonists consistently mention five often overlapping microeconomic and micropolitical experiences that most directly motivate their tactics of workplace takeovers and their subsequent desire for *autogestión* (Ruggeri et al. 2005:66): (1) owners' illegal "emptying" of factories of their assets and inventories just before or shortly after bankruptcy is declared, often in collusion with corrupt local officials and court trustees (called *vaciamiento*); (2) employees' perceived imminence of the bankruptcy or closure of plants; (3) employees' not getting paid salaries, wages, and benefits for weeks or months; (4) actual layoffs and firings; and (5) lockout and other mistreatment. Synthesizing these micropolitical and microeconomic motivators, Palomino (2003) identified three stages in the emergence of an ERT in Argentina: (1) ERT protagonists' *recognition and intensification of conflict* with former bosses and/or state institutions, (2) the *transformation of workers' perceptions of their capacity to change their situation and shift the terrain of conflict* from their workplaces into the streets and the corridors of power, and (3) the struggle to *regulate and normalize their work* as self-managed workers' co-ops. Movimiento Nacional de Empresas Recuperadas (the National Movement of Recuperated Enterprises), the first and most influential ERT lobby group, evocatively captures this three-staged struggle toward *autogestión* in the following slogan, borrowed from Brazil's landless peasant movements: "Ocupar, resistir, producir" ("Occupy, resist, produce").

The strategies and tactics of occupation, resistance, and subsequent self-managed production under the legal framework of a workers' co-op are, especially during the first precarious days of an ERT, important *defensive maneuvers* for its protagonists, maneuvers that, at first, directly respond to the dire conjunctural crises and microeconomic and micropolitical situations that place in innumerable ways the very lives of its workers at risk. Eventually, and for reasons I explore in the remaining pages, over the course of reopening a firm as a workers' cooperative, these defensive maneuvers borne out of necessity transform into long-term visions and desires for

autogestión. In other words, initial tactics to defend jobs and increase life security eventually can become, ERT protagonists discover, viable strategies for reorganizing workplaces and productive life cooperatively. As many ERT workers and activists have told me in countless conversations since 2005, initially their rage and fear at the possibility of being without work nearly always fomented their actions. But gradually, throughout their struggle for *autogestión*, workers eventually come to discover that it is indeed possible to change their own circumstances for the first time in their lives. This in spite of and, indeed, because of a political system that remains unresponsive to their quotidian needs. And, as I explore in the last two sections of this article, these multidimensional, macro- and microlevel experiences ultimately shape an ERT's cooperativized labor processes and divisions of labor while inspiring the solidarity economies it forges.

The Praxis of *Autogestión* and Argentina's ERTs

Currently in Argentina, *autogestión* means to *self-organize and self-direct working life cooperatively* as an alternative to owner-managed work organization, while minimizing the intrusive mediation of free markets, traditional bureaucracies, hierarchical organization, or the state.⁸ *Autogestionar* is the verb that drives how more and more groups throughout Argentina are democratically and ethically reconstituting productive life.

Autogestión has also made those practicing it in Argentina increasingly aware that, on one hand, any stark separation between work life and the rest of life is a fantasy—sociability, needs, and desires overflow artificial divisions between private life and public work. On the other hand, there is also an increasing awareness that the neoliberal drive to increasingly merge capitalist production with the reproduction of life itself is a move by contemporary forms of capital to more totally capture for its projects of accumulation and incessant pursuits of profit the moments that Marx (1967) called “the intervals between the buying and the selling” (p. 155)—the spaces of life that, for capital, are about “unproductive consumption” (p. 573) and “unproductive labour” (Marx 1976:1038-44). The crisis of the neoliberal model in Argentina made many workers who were standing on the precipice of permanent structural unemployment realize that neoliberalism's absolutist promises of abundance and well-being “for all” within free markets, unencumbered competition, and perpetual growth were false ones. In actuality, they now realize, these “promises” were not about increasing workers' well-being but rather ideologically driven moves by contemporary capital to further secure workers' dependence on the system, consolidate the power base of an elite minority (the entrepreneurial class), maximize productivity via the intensification of labor processes that served to minimize labor costs, and ensure the creation of surplus value and profits even in hard economic times.

The worker cooperative model is the most effective form of organizing the desire for *autogestión* for ERT protagonists because it specifically addresses other values,

such as caring for one another, horizontality, self-reliance, and equity, values that gradually and imminently grew in the imaginary of ERT workers during the process of fighting for the control of workplaces, securing jobs, and ensuring dignified and humane working conditions. Moreover, the worker cooperative model serves to place a workable organizational framework around ERT protagonists' desires to self-manage their work. It also serves to symbolically and practically counter the abusive and exploitative relations ERT workers suffered under former bosses (Fajn 2003; Vieta and Ruggeri 2009). The worker cooperative model, for instance, encourages each worker-member to have an equal say in the running of the recuperated shop. This is most readily visible in the regular workers' assemblies and elected workers' councils that administer ERTs. As well, and in part because of the political lobbying and direct action pressure tactics of ERT protagonists' and ERT-based organizations such as the National Movement of Recuperated Enterprises, workers' cooperativism has become one of the only recognized legal models in Argentina for former employees to begin to self-manage bankrupted enterprises (Vieta and Ruggeri 2009). Furthermore, the potential for workers' liberation from alienation and exploitation implicit in workers' cooperativism emerges out of the different productive world that it reveals to workers because of its focus on self-reliant labor processes grounded in the principles of "labour hir[ing] capital" (rather than the other way around) (Smith, Chivers, and Goodfellow 1988:25), "work" as the common contribution of each member (Instituto Nacional de Asociativismo y Economía Social 2007), and "control . . . linked to work" (Oakshott 1990:27).

The Challenges to *Autogestión* in Argentina's ERTs

Despite the possibilities that *autogestión* opens up for workers, there are two major challenges that tempt ERTs in Argentina to return to the business practices they had originally contested: chronic underproduction compared with original production levels under owner management and a continued overreliance on competitive markets.

On average, ERTs currently produce at between 20 percent to 60 percent of their original output capacity compared with production runs under owner management (Ruggeri et al. 2005:52). Most critically for ERT workers, these diminished production levels cut into precious revenues needed to pay salaries and sustain the firms on a month-to-month basis. One reason for underproduction is linked to financing issues: because ERTs are considered poor "subjects of credit" by lending institutions, there is a dearth of access to loans for production inputs or for sustaining cash flow in lean months. Financing issues are also intimately linked to the challenges of adequately addressing depreciating machinery. In many instances, ERT protagonists have had no choice but to attempt production in workplaces with machines that had been in disrepair well before workers took over the firms or that fell into disrepair during the long periods of inactivity between the firms' closure and their reopening

as worker-run firms. With irregular or inadequate sources of funding adding to already existing capitalization issues and reduced revenues, problems with underproduction issues compound as inadequate or broken machines cannot be readily replaced and thus must be operated at suboptimum levels or must be shut down temporarily as workers themselves attempt to repair them. This often means that precious production time is replaced by extended periods of unproductive or suboptimum work activity. Lack of financing and underproduction issues are yet further complicated by the fact that there is still no national government policy for assisting ERTs, as the Argentine state is caught between recognizing ERTs as viable models for saving jobs and its commitments to capitalist business models and private property rights (each ERT is treated by the state on a case-by-case basis, if considered at all; Vieta and Ruggeri 2009). In addition, and as I discuss shortly, while innovative nonconventional and irregular sources of funding linked to NGOs or community fund-raising drives have helped sustain many ERTs, such erratic funding sources delinked from revenues add to an ERT's tenuous existence and the instability of its workers. While these nontraditional funding sources perhaps point to promising noncapitalist financing practices, having to compete in capitalist markets with firms that can adequately meet their own capitalization needs necessarily means that an ERT is disadvantaged in meeting market demands when its workforce must dedicate time that would otherwise be spent on production on non-production-related activities such as fund-raising or fixing machines.

Yet another factor that places ERTs at a competitive disadvantage and that adds to chronic microeconomic instability and underproduction is related to the political effort that ERT workers must expend during periods when their worker-members are lobbying local legislatures to renegotiate their status as expropriated firms, during other political struggles for legal recognition, or when renegotiating the debts they have inherited from the old firms in local courts. These struggles usually occur in the first days, weeks, and months of an ERT. Even once their enterprises are fully recuperated or legally recognized as workers' co-ops, ERT protagonists' early days of self-management often unfold under the shadow of having to deal with the former boss's outstanding debt or having to renegotiate outstanding accounts payable or unpaid services (such as electricity, gas, and telephone lines), engage with local courts and their trustees with the paperwork required to deal with the bankruptcy of the previous firm, lobby regional legislatures and their local political representatives to vote in favor of expropriating these workplaces on behalf of its workers, or face head on the imminent risk of state repression, eviction, or threats by former owners and their hired thugs seeking to reclaim control over their lost assets. All this is *in addition* to having to struggle to regain lost market share or convince a dwindling customer base to continue to buy from a once failed and now worker-run firm. Furthermore, the promise of formally expropriating these firms on behalf of their worker-protagonists, technically possible under Argentine legislation, in practice has thus far secured for most ERTs a *temporary* expropriation of between two and five

years subject to renewal at the end of that period (Vieta and Ruggeri 2009). The continuing struggle for the *permanent* expropriation of these firms, a struggle that continues to this day, has meant that ERT protagonists have had to resort to tactics of protesting in front of or actually even occupying regional legislatures for days at times as a means of lobbying local politicians to vote in favor of granting expropriation. Again, the need to engage in these political actions rather than focus on production has real consequences for ERTs' bottom lines, especially in their precarious early months of existence; during these political moments, some of the ERT's workers, and at times all of them, need to be mobilized for political and legal activities not directly related to the firms' core business.

Moreover, ERT workers, unlike their capitalist competitors' workforces, must engage in an extended period of learning new administrative skills as they attempt to recompose failing firms. During these periods, the strain and pressure on ERT protagonists to learn the ins and outs of self-management and workers' cooperativism as quickly as possible further compromises their competitive advantage, leading to further periods of underproduction.

A related challenge that adds an additional long-term worry for an ERT's incumbent members is related to hiring new members in moments of expansion or, usually, as more and more of its members near retirement age. During these crucial periods, there tend to be two major questions on the minds of incumbent ERT members: If the number of "new" associates supersedes the number of "founding" members of the ERT, could the cooperative be voted out of existence one day and become, once again, a capitalist firm? Could capitalist business models be perceived by newer members to be much more "efficient" for securing jobs and tackling competitive markets? Because of the risks and uncertainties these two questions pose for the long-term survival of ERTs, many ERTs have decided to incorporate new workers as temporary contract "hires" without making them members of the cooperatives right away. At times, these contracts are renewed far beyond the maximum six-month probationary period defined by Argentine cooperative legislation for deciding whether a co-op can make recent hires new members. Ironically, these situations tend to reproduce the very exploitative and alienating capitalist practices that led to the labor instability ERT protagonists were contesting in the first place. In some ERTs, however, there is a marked preoccupation with balancing the equitable treatment of *all* their workers with the ERTs' horizontalized organizational and production processes and the long-term viability of the co-ops. In some cases, the balance seems to be maintained by strategies that could be interpreted as nepotism: hiring family members, ex-workers of the cooperatives (including returning retired workers working part- or full-time), or workers recommended to them by other ERTs or friends.

Finally, not all ERT members desire to learn new skills, and some resist the extra commitment required of them by the firms' new cooperative values. Having been content with working for fixed wages, following orders from bosses, and restricting their work to attending to their tasks as defined by the old division of labor when the

firms were under owner management, not all workers in ERTs are happy with the extra responsibility of having to learn new skills, attend regular assemblies, or be present at social movement or political rallies and activities in solidarity with other social groups or ERTs. As some of these recalcitrant workers have told me, these extra activities and responsibilities detract from the time that should be spent on production. While perhaps stating the obvious, it is important to remember that the transformation of these workers' subjectivities from employees to self-managed, cooperative workers is not a uniform process; far from it. Rather, it is multifaceted and singularly experienced by each individual. Some workers seem to have more invested in the process of self-management than others, even within the same ERT. It must be remembered that the degree of personal commitment to the project of self-managing these cooperative firms is socially variegated. As one ERT worker poignantly put it, "It's easier to put the factory into production once again than to change the heads of some of our *compañeros*" (quoted in Fernández, Imaz, and Callaway 2006).

As Gabriel Fajn and Julián Rebón (2005) underlined, chronic financial precariousness, diminished productive capacity, and organizational uncertainty means that ERT protagonists tend to work with the constant awareness that sufficient revenues might not be generated to pay salaries. This material insecurity illustrates the main contradiction implicit in self-management within a greater capitalist system: ERTs risk losing sight of the collective spirit and democratic ideals that drove them to become workers' cooperatives in the first place when staying afloat becomes the primary focus of their workers to meet the socially necessary labor times demanded by market competition (also see McNally 1993). As Fajn and Rebón observed, the resulting pressures that come with the desperation of staying afloat and the pursuit of sufficient returns to pay wages and reinvest back into the firm serve to refocus the attention of an ERT from its cooperativist possibilities back into the very capitalist logic that it contested in the first place. For Fajn and Rebón, the effects of these challenges have meant that some ERTs have returned to business and management styles more in tune with capitalist norms, such as the reinstatement of fragmented and repetitious work tasks, the privileging of technical and marketing skills above other skills, increased job intensification, pressures to work overtime without adequate compensation "for the good of the team," situations in which the control once exercised by the shop floor supervisor is returned in the form of the "collective foreman," and at times the formation of a new "boss" in the figure of the ERT's elected president or a new class of managers in those workers who belong to the workers' council. In these situations, ERTs risk becoming "cooperativist capitalists" that privilege, once again, the maximization of revenues (and even profits) above all else. As the authors point out, echoing Marx's (1978a, 1978b, 1981) critique of cooperatives (also see Jossa 2005), when workers become overwhelmed by the daunting demands of self-management within continued market competition, practices that emulate capitalist priorities risk pushing an ERT to a mode of production ensconced in "self-exploitation and [self]-bureaucratization" (Fajn and Rebón 2005:7).

ERTs' Social Innovations

The tensions between the desire for *autogestión* and the challenges brought on by financial precariousness, underproduction, obstinately competitive markets, and an unsympathetic state get played out in each ERT on a daily basis, shaping the cooperative labor processes ERTs adopt. In this last section, I describe four of the most salient “social innovations” being spearheaded by ERTs, innovations that mitigate the challenges to *autogestión* I discussed in the previous section. Moreover, these social innovations emerge creatively from out of and as direct responses to the tensions of self-managing firms within Argentina’s current conjuncture.

Creative Responses to Production and Financial Challenges

How much of a problem underproduction ends up being for an ERT tends to vary from sector to sector. ERTs that depend on smaller machines with single operators, such as those in some metal shops or in the printing, textiles, food processing, and service sectors, tend to produce at higher capacity rates than those in heavier industries such as shipbuilding, pulp and paper, gas, and electricity, which depend on much larger machinery and more complex production processes (Ruggeri, et al. 2005). Because the latter, more capital intensive sectors require higher levels of automation using more sophisticated machinery and more multifaceted production cycles, ongoing operational necessities such as machine repairs and technological renewal become hard to come by without access to regular and reliable funds for reinvestment back into the cooperative. In the former, less capital intensive sectors, the tendency is for worker-operators themselves to repair their own machines and to mediate structural barriers to production by engaging in small-batch production practices (Vieta and Ruggeri 2009).

As a result of production and financial challenges, and illustrative of the adaptability and innovative capacities of the ERT movement’s self-managed workers, most ERTs have had to resort to the individual and collective ingenuity and determination of their workers for ensuring the ongoing operation of the firms. Examples of how ERTs mediate structural barriers to production include just-in-time or day-to-day production practices, requesting that customers pay for raw materials when placing orders, or working *a fa on* (a practice that sees ERTs producing under contract for third-party contractors or as subcontracted parts of other firms’ production runs). ERT workers have also had to learn and share accounting and marketing skills and tasks. These were the principal skill sets to be lost in most ERTs that emerged during the crisis years of 1997 to 2003, primarily because the white-collar workers who possessed these more transferable skills also happened to be on average younger compared with shop floor and line workers. Because these administrative, marketing, and technical workers tended to have an easier time finding work elsewhere, many would chose this route in part to avoid the insecurities of making a go of it

with an ERT. While the loss of these skilled workers adds further challenges to meeting production runs, revenue goals, and staying afloat (especially during an ERT's early days), the flip side of these challenges is that many ERT workers have had the opportunity to develop new skills and capacities that remained untapped in the stricter divisions of labor when the firms were under owner control. The initiatives of learning new administrative and marketing skills show that, as Marx was fond of pointing out, workers' skills and capacities extend far beyond their specific work roles and that, despite capitalist rhetoric, workers do indeed possess the ability to effectively self-actualize and motivate themselves without the need of coercion. Indeed, ERT workers are proving that the capacity to innovate and practice entrepreneurialism is not the monopoly of business owners and managers.

Other innovative initiatives that respond to unmet revenue goals and capitalization challenges include

1. practices of recycling leftover materials from production processes for economic and ecological purposes;
2. approaching lenders as "less risky" collective coalitions of ERTs that, in effect, creatively addresses the banking system's risk assessment benchmarks;
3. accessing government funding sources and business development programs in partnership with university research teams, foreign NGOs, or other research initiatives working in conjunction with ERTs;
4. organizing neighborhood "solidarity" fund drives;
5. the establishment of networks of experts facilitated by supportive university programs and technical institutes to aid in administrative tasks and technological repair and upgrading; and
6. the emergence of "economies of solidarity" among ERTs.

The involvement of ERTs in economies of solidarity is perhaps the most promising aspect of their creative responses to production and financial challenges.⁹ Indeed, I argue it is prefigurative of what a noncapitalist, worker-run economy might begin to look like. In these nascent economies of solidarity, competitive markets are beginning to be replaced by practices that see ERTs in similar or related sectors sharing orders and customers and even collaborating with or bartering technical expertise, the use of machinery, labor processes, raw materials, marketing and administrative tasks, legal assistance, inventory, or other production inputs.

ERTs working in the graphics and printing sector, for example, have since late 2006 formalized a solidarity network of cooperatives throughout the greater Buenos Aires area to pool resources, approach markets collectively, share customer orders and production input costs, and more effectively tackle the various challenges they face in a highly concentrated and competitive printing and publishing market. Holding regular monthly strategy meetings in different member co-ops each time, one of the explicit goals of the network is to forge links between ERT graphics co-ops and non-ERT cooperatives working in the sector (i.e., co-ops that

were not once owner-managed firms). Another example of an inter-ERT economy of solidarity was formalized in mid-2006 as Federación Argentina de Cooperativas de Trabajadores Autogestionados (Argentine Federation of Self-Managed Workers' Cooperatives [FACTA]). It was formed by several Buenos Aires-based ERTs with aspirations to create a coalition whereby ERT members could collectively lobby and coordinate funds from the state and forge alliances with universities and NGOs. Their hope is that these alliances will support member ERTs in technical upgrading and administrative assistance, help create or reinstitute lost retirement benefits, and secure medical and health coverage for ERT workers. FACTA's major goal concerning production as a coalition is to increase ERT members' revenue potential and market share by collaboratively approaching markets and attending to purchase or service orders as a collective of ERTs, while articulating tighter links with ERTs from the interior and other cooperatives (Castiglioni 2006; EnRedAndo 2006).

Pragmatically grounded and theoretically rich with the possibilities for another mode of economic life, the practices of solidarity economies, though still nascent, not only assist participating ERTs in competing with strictly capitalist firms and reducing their reliance on irregular sources of financing but, more promisingly, begin to work out other, less competitive and more collaborative models for the production and distribution of wealth. Collaborative economic practices between ERTs also serve to, once again, place into question the privileging of competitive and profit-maximizing business values as they essentially encompass the sixth principle of cooperativism: cooperation between cooperatives. In the analysis of the next three social innovations, I describe in more detail other specifics of the new solidarity economies emerging between ERTs and within an ERT's worker collective.

Horizontal Work Structures and Equitable Distribution of Revenues

Ninety-four percent of ERTs reorganize production under the legal rubric of a workers' cooperative (Fajn 2003; Ruggeri et al. 2005). Why is this the case? While it is true that an ERT's adoption of cooperativism initially has to do with the fact that it is one of the only readily available legal frameworks from which to reconstitute a workspace controlled by a collective of workers in Argentina, ERT protagonists soon discover that, conceptually and practically, workers' cooperativism is indeed a viable, already tested, and sound model for self-organizing and self-managing production. Second, as the first ERTs emerged in the late 1990s and early 2000s, ERT workers' collectives, the movement's first leaders and legal advisors, and sympathetic academic activists and individuals from other social movements eventually came to the conclusion after much debate that, in a politically and economically volatile environment, being legally recognized as cooperatives was important for ERTs' stability and longevity and for the protection of their workers against repression by police and returning owners. Third, as ERT workers have told me, many of

them come to the realization that becoming a workers' cooperative actually offers them a much more egalitarian foundation from which to counteract the effects and memories of the exploitative structures and practices of the capitalist firm they had once been a part of. In other words, the legal framework of a workers' co-op facilitates addressing workers' communal needs and desires that arise in the processes of taking over and self-managing the plant. In practice, these communal desires manifest themselves in the democratic forms of one-worker, one-vote decision making most ERTs adopt and the equitable redistribution of revenues many of them seek. Indeed, regular workers' assemblies and other directly democratic decision-making processes are integral to the day-to-day and month-to-month running of the vast majority of ERTs (Fajn 2003; Ruggeri et al. 2005). Fourth, workers' cooperativism is a viable business model that goes a long way toward showing the state and potential customers that the workers' collective is serious about its commitment to running its own affairs. And last, because of Argentine cooperative law, becoming a workers' cooperative rather than another form of entity protects the worker-members from the seizure of their personal property should the co-op fail, while ensuring that the ERT does not have to pay taxes on revenues (Fajn 2003).

The past dozen years or so of ERT self-management practices have also shown that once the cooperative model takes hold in the imaginary of an ERT's workforce, most of its members become committed to reorganizing workplaces in egalitarian ways (Fajn 2003; Ruggeri et al. 2005). One clear example of this is the preponderance of pay equity schemes no matter how senior a worker is or what skill sets he or she possesses; between 56 percent (Ruggeri et al. 2005:76) and 71 percent (Fajn 2003:161) of ERTs practice complete or nearly complete pay equity. This is another promising innovation that serves to reconceptualize work within a productive entity as it transforms and flattens organizational hierarchies on the basis of particular work skills while revalorizing the contributions of all workers in a productive entity. The practice of equitable pay, incidentally, is not necessarily common in traditional workers' co-ops in Argentina or in other conjunctures and is one immediately noticeable innovation that differentiates ERTs from other forms of workers' cooperatives (Vieta and Ruggeri 2009).

Interestingly, egalitarian pay schemes are related to the age of an ERT, the political turmoil the collective of workers had to traverse during the firm's most turbulent early years, and its size. Older ERTs that had to traverse more intensive struggles of occupation and resistance between 1997 and 2003, the politically and economically volatile years that saw the collapse of the neoliberal model of the 1990s, are more likely to practice egalitarian pay schemes compared with newer ERTs that formed after 2003, when the Argentine economy started to recompose itself. For example, 70 percent of ERTs recuperated during or before 2001 practice complete pay equity, while 39 percent of those recuperated during 2003 and 2004 do so. In addition, the size of a firm tends to also be linked to pay equity: 64 percent of firms with twenty or fewer workers practice pay equity, compared with 47 percent of firms having

between twenty and fifty workers and 54 percent of firms with more than fifty workers. (Ruggeri et al. 2005:80-81).

There are two major explanations for the differences in equitable remuneration depending on the age, size, and history of an ERT. With regard to the size of an ERT, the collectives of workers belonging to smaller ERTs tend to forge stronger social ties and thus tend to sympathize with one another's plight more than between workers in larger ERTs; colleagues in smaller firms tend to spend more time interacting with one another on a daily basis and also have more intimate knowledge of one another's jobs, personal lives, and concerns. This means, as I have observed firsthand, that smaller ERTs also tend to experience less factionalism, individualism, and shop floor competition compared with larger ERTs with more dispersed work teams. With respect to older ERTs that emerged in the most conflictive years of social, political, and economic crisis, the social bonds in these firms were solidified during moments of intense political and economic struggle. Especially heightened for those workers' collectives that formed their ERTs in the most harried days of the socioeconomic crisis at the turn of the millennium, these shared struggles included long periods of occupying or squatting in the workplace; collectively experiencing intense moments of political conflict such as staving off police repression, dealing with returning recalcitrant former owners, or countering unfavorable legal decisions; and sharing the challenges that come with the lengthy periods needed to reestablish production.

The Reclamation of Surplus: Paths to Social Production

One outcome of cooperativizing labor processes within emergent economies of solidarity are ERTs' experiments with forms of social production that redistribute social wealth more equitably while minimizing capitalist forms of surplus value and wealth accumulation.¹⁰ For example, although not always possible, ERTs tend to ensure that revenues are first distributed between workers' salaries, the material needs of workers that periodically arise, and pensions for retired members of the cooperative *before* allocating remaining revenues to the production needs of the firm. That is, the preference in ERTs tends to be to redirect any remaining revenues into the needs of production and the maintenance of the firm only *after* meeting individual workers' needs. Some ERTs, such as the Zanón/FaSinPat ceramics ERT in the province of Neuquén or the Unión Solidaria de Trabajadores (UST) waste recycling and parks maintenance ERT in the city of Avellaneda, for example, practice divvying revenues between capitalization needs, salaries, and community service. Restructured under the values of cooperativism, equal compensation, and community service rather than profit maximization, these alternative forms of revenue allocation are possible because, being workers' co-ops, labor hires capital, not vice versa; it is the workers' assembly that decides how revenues are to be distributed rather than a boss or the incessant pursuit of profit.

The reclamation of social production via the cooperative principle of “labor hiring capital” also rearticulates ERTs’ labor processes and decision-making structures in the following ways:

1. horizontal organizational structures framed within elected workers’ councils and regular workers assemblies that tend toward infinitely more transparent administrative and self-managerial methods than when ERT firms operated under owner management;
2. the prevalence of flexible ad hoc work committees and labor processes that change with the needs of a particular order or production run and that are integrated into actual decision-making processes within the shop floor itself;
3. looser and more horizontal communication structures on shop floors fostering continuously flexible and open dialogue between workers; and
4. worker-members’ eating and playing together regularly (e.g., daily communal lunches and weekly soccer games or barbecues) and taking many breaks throughout the day (regular *mate* tea breaks, for instance), helping ease the tensions and stresses that come with working life.

Opening Up Workspaces to the Community: Reclaiming More Than Surplus

It is clear by now that jobs are not the only things recuperated by ERTs. The ERT phenomenon’s new forms of social production and the sharing of social wealth also include opening up workspaces to other uses besides producing the immediate products or delivering the specific services that preoccupy a firm during business hours. Many ERTs, for instance, also double as cultural and community centers, free community health clinics, popular education schools, alternative media spaces, and even community dining rooms run by workers, neighbors, or volunteers.

The print shop Artes Gráficas Chilavert in the Nueva Pompeya neighborhood of Buenos Aires, for example, has a vibrant community center on its mezzanine level called Chilavert Recupera (Chilavert Recovers), hosting plays, music concerts, and community events often linked to Argentina’s social justice movements every Saturday night. Chilavert also converts its main shop floor into an art workshop on weekends. During one of my weekend visits to the print shop in 2005, volunteers from the community were giving a class on the dying *porteño* signage art called *fileto*, while workers and visitors from the community were playing table tennis in the cultural center. On another occasion in July 2007, I witnessed a community play about the ERT movement whereby Chilavert itself became a living theater as the play was performed in the midst of stacks of papers and printing machinery. IMPA, the large metallurgic cooperative, located in the central Buenos Aires neighborhood of Caballito, is also known as La Fábrica Cultural (The Cultural Factory), dedicating a large portion of its space to an art school, silk screen shop, and community theater. Artes Gráficas Patricios, located in the economically depressed southern Buenos

Aires neighborhood of Barracas, houses a primary school, a community radio station, and a medical clinic that is run by local community volunteers. In August 2007, I attended a community fund-raising concert on the blocked-off streets outside of Patricios, where several thousand spectators listened to numerous bands playing on a temporary stage improvised from the print shop's flatbed truck as local musicians donated their time and equipment to the occasion. And UST, the aforementioned waste recycling ERT, redirects a third of its revenues to community development projects such as an affordable housing initiative for its workers and the surrounding community. This initiative has already built 100 attractive townhomes to replace the precarious homes of some of its workers and local residents, with several dozen more homes to follow. In addition, UST built and supports a youth sports complex in the neighborhood and an alternative media workshop and radio program, and heads a unique plastics recycling initiative for the large low-income housing project located near its plant.

Hosting such cultural and community spaces and involving themselves intimately with the needs of the local community is not just a way of giving back to the neighborhood out of self-interest or corporate "goodwill." Instead, the worker-recuperated plants are seen by ERT protagonists as continuations of the neighborhood. These ERTs are always open to the neighborhood, and the neighbors use them often. During my time in Argentina, I quickly learned that with many ERTs, their workspace walls do not demarcate enclosures that protect the work inside from the community outside. Rather, as many ERT protagonists told me, recuperated workspaces are recognized by them as being deeply rooted in the needs and desires of the local community and, as such, their participation in and collaboration with the communities that surround them makes up a vital part of their *raison d'être*.

Pragmatically, engraining themselves into the surrounding neighborhoods and opening up the recuperated workspaces to the community adds to ERTs' social value within the community in immeasurable ways. One direct result of this increased social value is that ERTs are further protected from the threat of closure by the state or returning former owners. If the state, for example, were to consider closing an ERT or returning it to private hands once more (as has happened in some cases), elected officials and the courts have to contend not only with the wrath of the ERT's workers but also with the potential anger and mobilization of the surrounding communities. Thus, the social capital of ERTs exponentially grows with the opening up of the co-ops to the community, especially compared with a capitalist business's limited and instrumentalized connections with the world beyond its walls as a seller in the marketplace or as a purchaser of raw materials and labor power. One can say that the self-valorization of ERTs within the communities that surround them increases their social value in ways not accounted for by capitalists' focused pursuit of surplus value and profits or in self-interested "goodwill" community programs. As such, with the opening up of an ERT, more than a factory or print shop or medical clinic or hotel or metal shop is recuperated. ERTs' practice of *autogestión* also

recuperates values of mutual aid and noncommodified social production, moving far beyond a capitalist firm's primary interests.

Concluding Thoughts, Potential Openings

Under the auspices of *autogestión* and within the legal and organizational rubrics of workers' cooperativism, Argentina's ERTs are beginning to exemplify innovative ways of reorganizing work that directly address the inevitable instability wrought by an overreliance on the global neoliberal market system. They also offer viable community-based alternatives to welfare plans, government make-work projects, assistentialism, clientelism, unemployment, and underemployment. Moreover, I understand ERTs as articulating new ways of critically thinking about the power of employers to determine the working conditions of employees. The ERT movement is also modeling for Argentina's still brittle and debt-beholden economy alternative forms of economic relations, which include the practices of inter- and intra-ERT solidarity economies and networks—the sharing of customers, orders, prime materials, technological know-how, administrative duties, legal assistance, and even machinery and labor processes between workplaces that practice infinitely more horizontalized and egalitarian labor processes compared with capitalist firms. Most important, these alternative economic models are pointing to possible paths beyond recurring and, what is clear in our current world economic conjuncture, systemic macroeconomic crisis. Rooted deeply in the neighborhoods and communities that surround them, ERTs rely more on the principle of subsidiarity—intimately engaging in production practices that privilege the local—rather than in a global system of capital irresponsible to local needs.

On the whole, then, ERT protagonists' socially innovative experiments with *autogestión* as a long-term solution to dire macro- and microeconomic situations, even with the myriad challenges they continue to face, are providing suggestive alternatives to traditional capital-labor relations in Argentina and beyond, especially during hard times. Emerging in an industrialized national economy in decline and with its neoliberal system in tatters, the reopening and self-management of struggling or failed capitalist firms as workers' co-ops by its former employees perhaps prefigure the types of bottom-up solutions available to workers in the most recent crisis of the neoliberal system that hit with force in 2008. With the global North's working class's fate tightly entangled in the dropping fortunes of global financial capital through their debt-financed consumerism and home ownership (an indebtedness connected to the relative drop in real wages over the past forty years) and the privatization of their pensions (fueled by the neoliberal mantra of less state intervention and more market mediation) (Gindin 1998), the case of ERTs should be of particular interest to workers in our current conjuncture. This is especially so considering sharply rising unemployment rates (Andrews 2009; Steinhauer 2008) and a coming wave of small and medium-sized business bankruptcies that were already climbing in the

United States, for example, by the last trimester of 2008 (Feintzeig 2008). Indeed, the idea of employees' occupying workplaces in trouble is not unheard of in developed capitalist economies. Take, for example, the case of workplace sit-ins during the Great Depression in the United States, the worker takeover of the Tower Colliery coal mine in Wales in 1994 and 1995 (Waddington, Parry, and Critcher 1998), or the more recent Maple Leaf workers occupation of their meatpacking plant during a labor dispute in Edmonton, Canada, in 2005 (United Food and Commercial Workers International Union 2005), Alcan workers' restarting production of their closed aluminum smelter under self-management in Quebec in 2004 (La Nuit 2004), the Republic Windows and Doors employee sit-in in Chicago in late 2008 (Lichtenstein and Phelps 2008), and the recent workplace occupations of failing firms in Ireland and England (Grevatt 2009; Socialist Appeal 2009). Even though the possibilities of worker-managed firms emerging in the global North en masse as workers' microeconomic responses to the current financial crisis would have to be looked at in light of each conjunctural particularity, taking over failing or failed businesses by employees and reopening them as workers' co-ops in developed industrial economies such as Canada, the United States, and Europe is not as far-fetched as neoliberal ideologues or skeptics might have one believe. Specific surges in workers' cooperatives as bottom-up solutions to growing rates of unemployment occurred, for example, with the noticeable expansion in labor coops in Finland in the 1990s in the wake of the economic disruption of that country's white-collar and service sectors caused in part by the breakup of the Soviet Union (Birchall 2003). Workers' co-ops also saw rapid growth in the Industrial Common Ownership Movement in the United Kingdom during its deep economic recessions of the 1970s and early 1980s (Melnik 1985; Oakeshott 1990). And in Canada, the province of Quebec has a long tradition of workers' cooperativism that has promisingly weathered many economic storms, most notably in its forestry and health services sectors (Quarter 1992).

By experimenting with the practices of *autogestión* and putting into play the possibilities it opens up for both confronting micro- and macroeconomic crises and reinventing productive life along more cooperative and directly democratic values, ERTs are pointing to viable ways workers can seek to take control of their own skills, means of production, labor power, surpluses, and time. Their everyday practices of *autogestión* and their promising social innovations are, while emergent and always in tension with capitalist values, living testimonies of a commitment to another mode of productive life. Most inspirational to me were the many personal testimonies I had the privilege of hearing in myriad conversations I engaged in with ERT workers since 2005: most ERT protagonists I spoke with told me they would not go back to the exploitative and alienating work conditions they previously experienced under managers and business owners, despite the long struggles needed to achieve *autogestión* in Argentina. This is the case, most insisted, even if their salaries or wages were to increase with an employer and, most surprising to me, despite the many challenges to material security that worker self-management experiments face in Argentina's recent socioeconomic conjuncture.

Notes

1. Besides Argentina, in Latin America, ERTs can be found in large numbers in Brazil, Uruguay, and Venezuela. Collectively, Latin America's ERTs involve roughly 30,000 former employees of failed or failing firms that have recomposed them into self-managed workplaces (Trigona 2006). As in Argentina, they can be considered "grassroots [responses by] workers facing structural unemployment and the dismantling of national economies by speculative global capital and neo-liberal market policies" (Vieta and Ruggeri 2009:205). The case of Argentina, however, stands out for several reasons. The fact that it is the largest amalgamation of ERTs in the region and that the movement has lasted as long as it has in the country is particularly surprising considering the lack of government and traditional union support for ERTs, the dearth of access to credit and other financial support mechanisms, and its various other challenges, as I analyze in the last half of this article. ERTs in Brazil, Uruguay, and Venezuela, on the other hand, are smaller in number and have enjoyed abundant national and local government support and tight links to unions or national union centrals, and have easier access to more regular sources of funding and support from nongovernmental organizations (NGOs) or cooperative movement associations.

2. A few words on methodology: Much of the analysis I offer here is based on my direct observations, ethnographic notes, and interviews with over thirty-five key protagonists and workers of the ERT movement over several visits I have made to Argentina since 2005. Some of the qualitative and most of the quantitative analysis in this article is based on the multidimensional in situ ethnographic interviews, observations, and questionnaire work at over seventy ERTs across Argentina conducted by an extensive team of activist researchers out of the Open University Program, Faculty of Philosophy and Letters, at the University of Buenos Aires. A summary and analysis of the team's findings can be read in their books *The Recuperated Enterprises in Argentina* (Ruggeri et al. 2005) and *The Recuperated Enterprises: Self-Management and Work in Argentina and Latin America* (Ruggeri 2009). I have been working extensively with this team since late 2006, and this article highlights some of my contributions to the project. I must also clarify here that, while my analysis in this article is intended to be a broad, general summary of the ERT phenomenon, I endeavor throughout not to overgeneralize it by offering up, where possible, examples of unique practices and nuances that illustrate the multidimensionality of the forms of *autogestión* practiced within each ERT. Nevertheless, the practices of recuperating workplaces in Argentina since the ravages of the neoliberal model of the 1990s do contain common tendencies and shared experiences. It is my hope that I have succeeded in this article in balancing an account of these trends while respecting and recognizing the particularity of each ERT and its worker-protagonists.

3. Consequently, ERTs can be found operating in the following sectors: metallurgy, shipbuilding, chemical and oil refining, mining, meatpacking, printing and publishing, education, tourism, textile and clothing manufacturing, construction, food production, home and food retailing, transport, water treatment, and health delivery. Moreover, although a large number of ERTs are based in and around the city of Buenos Aires, they are found across the national territory (Fajn 2003; Ruggeri et al. 2005).

4. By "structurally unemployed," I refer specifically to those full-time workers who were directly unemployed as a result of the neoliberal structural adjustments of the Argentine economy throughout the 1990s. Neoclassical economists consider "structural unemployment" the gap between the population of workers not working but actively seeking full-time work and those workers still employed, specifically when this gap is a result of labor's not being able to "adjust" to the structural changes in a national or regional economy's work conditions due either to economic growth or contraction or to changing demands in skills related to technological change in the modes and regimes of production. Structural unemployment is to be differentiated, according to these economists, from "frictional unemployment," which is considered the "normal" turnover rate of labor in an economy in relative "equilibrium" (Ragan and Lipsey 2004). As Patroni (2004:104) pointed out, for the first time in Argentina's modern history, the initial spurt of economic growth of the early 1990s brought with it structural unemployment rather than more employment. As the decade wore on, the continued deindustrialization and multinationalization of much of Argentina's economy caused the demand for labor to decrease even further, especially related to the widespread business practice of replacing workers with labor-saving machinery from abroad, which

became cheaper and more accessible for businesses during these years as a result of the dollarized peso. Additionally, as dismissed former public and industrial sector workers found it harder and harder to find similar work elsewhere, growing structural unemployment was paralleled by the growing rate of underemployment and unregulated part-time work, contract work, and other precarious forms of employment devoid of social security guarantees. As such, the neoliberal model in Argentina was also effectively about the cheapening and flexibilization of labor costs and, in practice, the fragmentation of organized labor (Patroni 2004).

5. The period that saw the greatest surge in ERTs (2001 to 2003) was also a period of intensive labor turmoil in Argentina, witnessed in the escalation of strikes, lockouts, public protests, and road blockages (Vieta and Ruggeri 2009). Much of this grassroots-driven labor strife was in direct response to the unresponsiveness of the state and traditional unions to the plight of workers that faced abusive practices from owners and managers, which included the denial of adequate remuneration; the outright withholding of pay, benefits, pension contributions, and overtime compensation; rampant downsizing and outsourcing; illegally transferring assets and machinery to other locales when facing bankruptcy; and the closure of businesses without notifying employees. It is no coincidence, therefore, that during these three years, Argentina saw the greatest number of, as well as the most conflictive, workplace occupations. It is also not coincidental that these years of heightened labor strife also happened to be the years with the highest rates of unemployment and bankruptcies in modern Argentine history (Rebón 2004; Ruggeri 2006).

6. ANTA is situated within Argentina's smaller and younger union central, the progressive Central de Trabajadores de la Argentina (Argentine Workers' Central). Formed in late 2005 by sympathetic union activists who also had experience with various forms of self-management, ANTA emerged as a response to the states' and traditional unions' general indifference or outright hostility to the plight of the non-union-affiliated, the self-managed, the underemployed, and the unemployed. Since its inception, ANTA has treated the state as the boss, lobbying it to recognize the labor rights of self-managed workers in their struggle to secure pensions, stabilize sectorwide wages, create a national health and workers' compensation plan, and access favorable and just loans.

7. Popularized in particular by the daily organizational practices of grassroots activist and neighborhood groups that formed in Argentina during and since the economic crisis of 2001 to 2002, horizontalism espouses an egalitarian (re)distribution of economic and political power. More specifically, it is both a theory and a practice, mapping out, immanently rather than in a predetermined way, how the ongoing participation of all individuals in the decision making of a particular collective and between collectives can be facilitated. Moreover, horizontality points to the conscious attempt by individuals of a collective to lessen the coercive force of obligation by rallying around a more inclusive force of mutual commitments and consensus (Sitrin 2006).

8. *Autogestión* has a Greek and Latin etymology (Farmer 1979). *Auto* comes from the Greek *autós* (self, same) (p. 59). *Gestión* comes from the Latin *gestio* (managing), which in turn comes from *gerere* (to bear, carry, manage) (p. 59). More evocatively, one can conceptualize *autogestión* as "self-gestation"—self-creation, self-control, self-provisioning, and, ultimately, self-production. Tellingly, the English words *gestate* and *gestation* evolved from the word *gestión*. Indeed, *autogestión* alludes to an organic and processual movement of self-conception having sociopolitical relevance in its implicit notion of becoming and potentiality. Together, the words *auto* and *gestión* yield the perhaps inadequate English term *self-management*. With a practical genealogy rooted in utopian socialism, classical anarchism, Western Marxisms, and more utopian strands of critical theory, to practice economic *autogestión* means to be cooperatively self-reliant in constituting one's productive capacities.

9. In Argentina, a distinction has emerged over the past decade between the "social economy" and "economies of solidarity" (Elgue 2006; Ruggeri 2009). Before the country's neoliberal experiment began to take off in the mid-1970s, the voice of the Argentine working and marginalized classes, mediated by strong labor and cooperative movements, helped forge a version of the Keynesian welfare state that served to guarantee the redistribution of substantial portions of the nation's wealth to its working class. During the 1980s and early 1990s with the return of democracy, the discourse of an equitable redistribution of wealth grounding this traditional class compromise gave way to the discourse of possessive

individualism and the downloading of the state's role in securing a social safety net to the "social economy." By the 1990s, the social economy became an eclectic and loose fabric of NGOs (some foreign), union-controlled benefits programs, ad hoc community organizations (soup kitchens, community centers, free medical clinics, etc.), and precarious microenterprises (bakeries, food dispensaries, service-oriented entities, etc.). This uncoordinated mix of entities essentially served to replace the former state-funded social safety net. The neoliberal discourse of the times positioned this new, "autonomous" social economy as a more "efficient" means of service delivery in comparison with the "cumbersome" apparatus of state welfare provisioning. In actuality, the 1990s versions of the Argentine "third sector" became an "economy of the poor" as clientilistic and work-for-welfare schemes tied to service delivery rendered certain community groups more "worthy" of assistance than others (Ruggeri 2009).

Rather than a top-down, assistentialist, or underserviced and underfunded social economy, "economies of solidarity" are rooted in locally focused, community-led, and self-managed economic activity. At core, an economy of solidarity differentiates itself from the neoliberal system of setting up poor aid schemes to offer handouts to structurally marginalized communities by grounding itself in self-reliance, self-direction, self-control, and directly democratic decision making structures and people's assemblies made up of individuals from those communities directly affected by and engaged in the actual production of their own goods and services. Economies of solidarity practice equitable redistribution of surpluses among individuals and groups directly affected by the productive activities that provision for social needs. As such, they include explicitly noncapitalist and antineoliberal economic practices such as bartering, sharing in the responsibility of production, horizontal organization, direct and democratic involvement in decision making, solidarity, mutual aid, and cooperativism. Moreover, they are saturated by values that desire viable, sustainable, and community-based exodus from conditions of perpetual marginality and social exclusion. Economies of solidarity do this by creating and engaging in economic practices that are parallel to the state-capitalist system, that emerge despite and in many ways apart from the continued presence of capitalist markets, and that prefigure other modes of noncommodified and community-based economic and productive life (Day 2005).

10. By "social production" I mean here the productive capacities of "freely associated" and cooperativized labor with the capacity to be productive free from the internal coercions of management and capitalist work organization and the external coercions of the market and the state. For David McNally (1993), in a close reading of Marx (1978a, 1978b, 1981), the "social production" suggested by workers' cooperatives prefigures a new economic model under principles that "are antithetical to the imperatives of capitalism" (e.g., production and economic planning with "social foresight," "associated" rather than waged labor; McNally 1993:186). Associated social production, unlike socially necessary labor working under the confines of the wage-contract and capital-labor relations, is driven by and "necessitates [directly] democratic control" by the direct producers (p. 187). Moreover, it requires "the involvement of the [direct] producers in determining how their labour will contribute to the satisfaction of freely determined social needs" (p. 187).

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