

Part 2

The ERT movement's possibilities and challenges for spearheading social transformation

Possibilities

Palomino writes that the political and economic impacts of the ERT movement are more “related to its symbolic dimension”¹ than to the strength of its size since, to date, the movement involves roughly 170-185 mostly small and medium sized enterprises estimated to include between 10,000-12,000 workers.² This represents between 0.069% and 0.083% of Argentina’s 14,393,000 officially active participants in the urban-based economy.³ As Palomino points out, however, while it is true that this reflects only a fraction of the economic output of the country, the ERTs have nevertheless inspired “new expectations for social change”⁴ in Argentina since they especially show an innovative and viable alternative to chronic unemployment and underemployment.⁵

Jobs, however, are not the only things recovered by ERTs. Much weight, for example, is also placed on how ERTs tend to engrain themselves in the communities and neighbourhoods that surround them; many ERTs double as cultural and educational centers and even community dining rooms and free medical clinics run by workers, neighbours, or volunteers.⁶ The print shop Artes Gráficas Chilavert, for example, has a vibrant community centre on its mezzanine level called Chilavert Recupera (Chilavert Recovers), hosting plays, music concerts, and community events most Saturday nights. Chilavert also converts its main shop floor into an art workshop on weekends. During one of my visits to the print shop, volunteers from the community were giving a class on the dying *porteño*⁷ signage art called *fileto*, while workers and visitors from the community were playing ping-pong in the cultural centre. IMPA, a large metallurgic cooperative located in the western neighbourhood of Caballito in the city of Buenos Aires, dedicates space to an art school, silkscreen shop, and theatre.⁸ Cefomar, a recovered publishing house in the historical neighbourhood of Monserrat, runs an early childhood education centre on its premises. And Artes Gráficas Patricios, located in the economically

¹ Palomino, “The workers’ movement in occupied enterprises,” p. 72.

² Ruggeri, Martinez, and Trincherro, *Las empresas recuperadas en la Argentina*. Murúa, a [Toronto School of Creativity & Inquiry](#) interview.

³ Ministerio de Trabajo, Empleo, y Seguridad Social de la República Argentina, “Población urbana total y población económicamente activa. 1991-2003,” 23 Dec. 2005 <<http://www.trabajo.gov.ar/left/estadisticas/bel/bel.asp?idCapitulo=1>>. The Argentine Ministry of Labour’s statistics are based on May 2003 figures which included persons living in urban centres and fully employed and underemployed persons. It excludes those persons not actively looking for work or living in rural areas.

⁴ Palomino, “The Workers’ Movement in Occupied Enterprises,” p. 72.

⁵ Maria Scarano and Raúl Sánchez, “Empresas recuperadas: Una respuesta al desempleo,” *El Correo de Económicas*, Vol. 1, No. 1, 83-86. See also: Fajn, “Fábricas recuperadas”.

⁶ Lavaca, *Sin patron*; Palomino, “The Workers’ Movement in Occupied Enterprises”.

⁷ “*Porteño*” is the Argentine-Spanish noun for a native of Buenos Aires. It can also be applied as an adjective for anything native to the “port city” of Buenos Aires. It literally means “of the port.”

⁸ According to MNER the symbolic importance of IMPA to the movement, besides being one of the first two recovered enterprises (the other being Yaguané), is that it was the first ERT to open up a cultural and educational center for the local community within its premises (Murúa, a [Toronto School of Creativity & Inquiry](#) interview).

depressed southern Buenos Aires neighbourhood of Barracas, houses a primary school and a medical clinic that is run by local community volunteers.

Hosting such cultural and community spaces is not just a way of giving back to the neighbourhood out of self-interested or corporate “goodwill.” Instead, the cultural spaces within the worker-recovered plants are continuations of the neighbourhoods’ that surround them. They are always open to the neighbourhood and neighbours use them often. Moreover, these community spaces are intentional spaces; in the first days of the movement, certain workers and militants felt it was vital to their struggle for *autogestión* to create cultural spaces within the very factories they were occupying, in cooperation with other sectors of the social economy. From these cultural spaces ensconced within operating factories, the movement’s most progressive protagonists felt that alternative spaces for debating the monopolistic discourse of the neoliberal model that was entrenching around them at the time could be opened up. Since those early days, ERT protagonists have discovered that the cultural spaces within the worker-recovered enterprises are sites from which to continue not only the struggles for social justice and *autogestión*, but also sites that can provision for the needs and desires of the neighbourhoods that they find themselves in in light of the paucity of such spaces in certain economically depressed communities. These cultural spaces within recovered factories are, in other words, sites for another type of production: cultural production and social recomposition.

In addition, MNER also encourages setting up community centres in ERTs for pragmatic and political reasons: By ensconcing the ERT deep into the heart of the community – if not into the community’s very imaginary in some cases, as with Chilavert and the Buenos Aires neighbourhood of Nueva Pompeya – it becomes infinitely more difficult for the state to close the ERT and repress its workers. The presence of community spaces within ERTs also pressures some legislators to vote in favour of granting temporary and permanent expropriation to the recovered enterprises that host them as they come to realize that the interests of the recovered firm extend beyond the self-interest of workers.⁹

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, recovered workspaces are recognized by many as being deeply rooted in the needs of the local community since, as more and more Argentines are rediscovering, work life is also an integral part of community life. Thus, Argentina’s ERT protagonists are recovering more than just work, they are also returning the practices of work and the workspace to the neighbourhoods and communities that surround them as well as creating inventive ways of symbolically and practically destroying the enclosures that divide work from the rest of life.

Confirmed by my own observations during my time spent in several Argentine ERTs, the emerging ERT literature is beginning to highlight other communal values that many ERT protagonists have managed to fuse with work life. These observations further challenge the paradigm that encloses labour within capitalist logics. Such creative fusions being fashioned by the ERT movement include:

- ❖ job sharing amongst ERT workers and even between different ERTs;

⁹ Murúa, a [Toronto School of Creativity & Inquiry](#) interview.

- ❖ the creation of invigorated workspaces that are instilling in many ERT protagonists the desire to learn new work-related and organizational skills;
- ❖ infinitely more transparent administrative and management methods than those practiced under owner-management;
- ❖ looser and more horizontal communicational structures fostering continuously flexible and open dialogue between workers on shop floors;
- ❖ the common practice of forming ad-hoc work committees that are integrated into production processes;
- ❖ regular meetings of workers' assemblies where open and directly democratic discussion and decision making is encouraged;
- ❖ innovative uses and transformations of old machinery;
- ❖ the practice of recycling for both ecological reasons and as a cost-saving strategy;
- ❖ the problematization of the supreme privileging of property rights and capitalist-like accumulation within ERT protagonists' very everyday practices and discourses (see next sections);
- ❖ the problematization of worker individualism within the workplace;
- ❖ the problematization of inter-ERT competition;
- ❖ a qualitative leap from the dead-end of government welfare plans, "assistentialist," and clientelistic practices;
- ❖ the forging of strong links of solidarity with other social movements; and
- ❖ the transformation of many ERT protagonists into political activists with a deep concern for the state of their community, their Argentine *compatriotas* (compatriots), and the well-being of *compañeros* in other social struggles in Argentina, as well as the struggles for social justice around the world.¹⁰

On the whole, then, there tends to emerge with many ERT protagonists a new sense of empowerment with their work, a newly found hope for their lives, new ways of expanding the definition of production, and a new focus on communitarian interests that begin to transcend the pursuit of profit and broader socio-economic hardship. Again, these tendencies are fundamentally challenging key aspects of neoclassical capital-labour relations, slowly and tentatively showing paths towards transforming them into new forms of increasingly de-capitalized, socially rooted workspaces centred on newfound values and a communal ethos. Perhaps these workplace transformations echo Marcuse's call to reshape the "one dimensional" logic and the "technological rationality" that undergird capitalist life by aspiring towards re-rationalized, life affirming technological and work cultures rooted in values that strive for the amelioration of "toil, aggressiveness, misery, and injustice" for all.¹¹

¹⁰ Fajn and Rebón, "El taller ¿sin cronometro?"; Ruggeri, Martinez, and Trincherro, *Las empresas recuperadas en la Argentina*; Svampa and Pereyra, *Entre la ruta y el barrio*; Vieta, conversations and personal interview archives.

¹¹ Herbert Marcuse, *One Dimensional Man: Studies in the Ideology of Advanced Industrial Society* (Boston: Beacon Press, 1964), p. 5. On a similar note, for Marx, liberation for the worker rested fundamentally in the return of the means of production to labourers, the eradication of surplus labour, and control of the products of expended labour by workers themselves. This was to be done, according to Marx, by refocusing values away from the logics of the capitalist commodity form, exchange-values, private ownership of the means of production, and individualistic accumulation onto the values of individual and

On the other hand, and as I address in the following section, the possibilities for new forms of work life and new spaces of cultural production being hinted at by the ERT movement have been, from the first days of experiments with workers' resistance and self-management, sharply challenged by the persistence of the capitalist market model that they must still contend with.

Challenges

Despite the surprising longevity of the ERT movement,¹² many difficulties still plague most ERTs. Because ERTs must still compete within the greater capitalist economic form, they are constantly being affected by the tensions that inevitably arise between the quotidian needs of workers and the production and marketing challenges of the workers' cooperative. While each ERTs' struggles are uniquely nuanced within their particular microeconomic situations and the conjunctures of their particular business sectors, there are several shared challenges that are beginning to be acknowledged by ERT protagonists and researchers eight years into the movement.¹³ Their greatest challenges tend to be rooted in underproduction and the continued precarious life conditions of workers; these two principal challenges dominate the everyday concerns of many ERT protagonists. More specifically, these challenges might be expanded to include the following self-reported preoccupations of many ERT protagonists:

- ❖ lack of readily accessible funds for reinvesting into the firm, such as sources for short-term and long-term loans from governments or official financial institutions;
- ❖ lack of adequate and reliable sources of inexpensive raw materials;
- ❖ out-of-date or inadequate machinery;

collective needs, "individual property" over private property, cooperation, direct democracy, the reinstatement of common lands, and the ability for all to pursue self-actualization (Marx, *Capital, Vol. 1*; Marx and Engels, *The Communist Manifesto* (New York: Signet Classics, 1998)). Most importantly for Marx, revolutionary transformation of capitalist society rested firmly in the eradication of surplus value, rooted as it was in exploiting surplus labour, and the capitalist model's reliance on the circuits of market exchange, which were at the core of the struggle between capital and wage-labour. As Marx writes in *Capital, Vol. 1*: "It is clear... that in any given economic formation of society, where not the exchange-value but the use-value of the product predominates, surplus-labour will be limited" (Marx, *Capital, Vol. 1*, 235). He further writes in the last pages of *Capital, Vol. 1*: "So long, therefore, as the labourer can accumulate for himself – and this he can do so long as he remains possessor of his means of production – capitalist accumulation and the capitalist mode of production are impossible" (p. 767; see also p. 763).

¹² With perhaps the exception of experiments with workers' control in Yugoslavia in the 1960s to 1980s, almost all historical examples of a society modeled on the tenets of workers' control, such as Hungary 1956 and the early experiments with self-management in the late-18th and 19th centuries in Europe and North America (i.e., the socialist experiments of Robert Owen, Charles Fourier, and the Paris Commune), show that experiments with workers' control within advanced industrial societies have, historically, tended to last a relatively short period of time. This has usually been the case because, historically, experiments with workers' control were either part of a greater union movement for general workers' rights that did not fundamentally challenge the state form or capitalist markets (i.e., workers' control in Latin America prior to the latest ERT movements), or part of a greater revolutionary movement focused on overthrowing the state while, at the same time, subsuming the working class within the leadership of a political or revolutionary party (i.e., the Bolshevik Revolution, Allende's Chile, the Cuban Revolution of 1950s, etc.).

¹³ Faján and Rebón, "El taller ¿sin cronometro?"; Ruggeri, Martínez, and Trincherro, *Las empresas recuperadas en la Argentina*.

- ❖ lack of funds for repairing old machinery; and
- ❖ difficulties in accessing new markets.¹⁴

Moreover, this plethora of microeconomic challenges means that many ERT cooperatives operate with the constant awareness that sufficient revenues might not be generated to pay salaries, pushing them to begin to engage in less cooperativist, more capitalistic forms of management and production preoccupied with the maximization of revenue. One of the most immediate effects fostered by these challenges for ERTs is the stubborn endurance of worker individualism which is further activated by a lack of understanding of the major tenets of cooperativism by some workers. This has led many in the movement to bring to light the paucity of educational opportunities for workers in Argentina and to begin to struggle for better access to such educational outlets for Argentina's labouring classes.

In the remainder of this paper I briefly review the implications of these challenges for the movement as well as some recent promising developments that could point to ways beyond these difficulties.

Financial challenges. The increasingly well-understood possibilities offered by ERTs for the amelioration of some of Argentina's chronic socio-economic problems, together with the popular support of the ERT movement, perhaps provide some reasons why the national government has allowed factory and enterprise occupations to take place. This having been said, it must be pointed out that the current government of President Nestor Kirchner has, to date, refused to subscribe to an official national policy for worker recovered workspaces.¹⁵ Instead, as confirmed to me by a senior bureaucrat in the national Ministry of Labour, the state treats each workspace recovery on a case-by-case basis.¹⁶ Moreover, because ERT cooperatives are narrowly viewed by official financial institutions as fledgling entrepreneurial initiatives, and thus risky investments, most ERTs find it hard to secure loans from banks (now all mostly foreign-owned after the market liberalizations of the 1990s) or to receive subsidies from government programs geared towards small- and medium-sized business start ups. These factors add to the underproduction experienced by most ERTs, which I discuss below. As such, ERTs are constantly challenged in their pursuit of funds for upgrading machinery, to assist with wages and benefits, or otherwise help in market expansion.

Because of the difficulties of securing funds for production inputs, non-traditional methods of financing have emerged within the movement, again underscoring the innovative zeal of the movement as well as illustrating further promising routes leading beyond the submission of labour to capital. Some of these new financial models include:

- ❖ neighbourhood "solidarity funds;"

¹⁴ Fajn, "Fabricas recuperadas"; Ruggeri, Martinez, and Trincherro, *Las empresas recuperadas en la Argentina*; Vieta, conversations and personal interview archives.

¹⁵ Leonardo Castillo, "Encuentro latinoamericano de empresas recuperadas," *NuestraAmérica.info* (22 Dec. 2005), 22 Dec. 2005 <<http://www.nuestraamerica.info/leer.hlvs/4429>>.

¹⁶ Susana Barasatián, personal interview (10 Aug. 2005); Ruggeri, Martinez, and Trincherro, *Las empresas recuperadas en la Argentina*.

- ❖ fundraising drives by individual ERTs as well as the movement's lobby groups such as MNER;
- ❖ affiliations with research projects and internship initiatives initiated by national and international universities and social justice groups in conjunction with MNER;¹⁷
- ❖ asking customers to pay for the cost of raw materials when purchase orders are made;
- ❖ the still fledgling but promising practices of sharing customers and raw materials between ERTs;
- ❖ “day-to-day” or “just-in-time” production runs;
- ❖ a nascent initiative by MNER to brand products produced by the movement “fair work,” emulating the “fair trade” model;
- ❖ recycling waste; and
- ❖ flex-pay wage schemes.^{18 19}

The risks of “self-exploitation”. While such non-conventional and irregular sources of funding have helped sustain many ERTs thus far, they have nonetheless also added to their tenuous existence and the continued instability of ERT workers. Gabriel Fajn and Julián Rebón point out that the financial precariousness undergirding these unstable business practices, coupled with the difficulty in meeting production demands and reaching new markets, often push ERTs to focus primarily on generating as much revenues as possible from the meager inputs available to them.²⁰ This insecurity heightens the daily pressures and precariousness of the particular ERT cooperative. As such, many ERT workers work with the constant awareness that not being able to reach either established or new markets due to the lack of productive capacity, capital investment, or raw materials necessarily means that sufficient revenues will not be generated to pay salaries. These material difficulties underscore a large part of the daily concerns of most ERT cooperatives. They also illustrate the two main contradictions implicit in self-management within a greater capitalist system: First, when staying afloat becomes the primary focus of ERT workers, worker cooperatives risk losing sight of the collective spirit and democratic ideals that drove them to become a workers' cooperative in the first place. That is, the most obvious challenge faced by each ERT in the movement is the risk of falling into situations of “self-exploitation” that emerges from the despair of staying afloat. The second, and perhaps not-so-obvious challenge, is inherent to the inevitable contradictions that affect worker-managed cooperatives when they must still work within capitalist markets and the commodity form.

¹⁷ E.g. see the work carried out by the Argentina Autonomista Project (http://www.autonomista.org/intern_MNER.htm) and the University of Buenos Aires's Faculty of Philosophy and Letter's ERT Documentation Centre, affiliated closely with MNER and housed in Artes Gráficas Chilavert.

¹⁸ Palomino, “The Workers' Movement in Occupied Enterprises”; Vieta, conversations and personal interview archives.

¹⁹ The last point however may in some instances lead to further short-term difficulties for individual workers because they have at times led to the outright withholding of salaries until more revenues can be generated by the cooperative.

²⁰ Fajn and Rebón, “El taller ¿sin cronometro?”.

Concerning the first point, as Fajn and Rebón observe, in line with my own personal observations, the resulting pressures that come with the desperate pursuit of sufficient returns serve to refocus the attention of the ERT from its cooperativist possibilities back into the very capitalist system that they contested in the first place. These economic pressures thus heighten the risk of reconverting the ERT, once again, into a workspace motivated by accumulation and competition rather than one rooted in the communal values that I mentioned earlier. For Fajn and Rebón, the effects of these challenges are starting to be reflected in the increasing trend with some ERTs to return to a business and management style in tune with capitalist norms, such as the reinstatement of fragmented and repetitious work tasks, increased job intensification, pressures to work overtime without adequate compensation “for the good of the team,” and situations where the control once exercised by the shop floor supervisor is returned in the form of the “collective foreman.” As the authors point out, echoing Marx’s critique of cooperatives, when workers become overwhelmed by the daunting demands of self-management, these compensatory tendencies can only lead to a mode of production ensconced in “self-exploitation and [self]-bureaucratization” that risks returning the cooperative workplace to an ideology of capitalist technological rationality above other values, the reproduction of capitalist management hierarchies, the privileging of technical and marketing skills above other skills, and ultimately – as has already happened with some ERTs – the temptation to return the cooperative to former owners, new proprietors, or to transform themselves into cooperativist capitalists as they begin to privilege, once again, the maximization of profits.

The second, related factor burdening ERTs is rooted in the continued preponderance of the commodity form. As David McNally reminds us, drawing from Marx’s critique of workers’ cooperatives, when workers’ cooperatives are forced to accumulate in order to meet socially necessary labour-times, which are determined on the market...workers [are forced] to utilize a quality and quantity of the means of production [to] ensure the market viability of the firm. This is why even workers’ cooperatives producing commodities for the market will tend inevitably to ‘become their own capitalist’ – they will be driven by market competition to accumulate a growing surplus from their own labour in order to invest in new means of production which give them a fighting chance to meet the survival conditions established on the market.²¹

Fajn and Rebón succinctly lay bare the results of this push to cooperative accumulation: In these regressive situations, “what was formerly abandoned [by the cooperative] is desired once again” as workers, in essence, either give up the vision of self-management or become “new capitalists.”²²

It is important to note here that the issue is not with the validity of workers’ control of the means of production. Indeed, the return of the full means of production to all workers is a crucial step in a socialist vision that aspires towards the fundamental transformation of society beyond capitalist or centrally managed divisions of labour and

²¹ David McNally, *Against the Market: Political Economy, Market Socialism, and the Marxist Critique* (London: Verso, 1993), p. 181. Also see: Karl Marx, *Capital, Volume 3: The Process of Capitalist Production as a Whole* (Harmondsworth: Penguin, 1981), p. 571, quoted in McNally, *Against the Market*, p. 181.

²² Fajn and Rebón, “El taller ¿sin cronometro?”, p. 7. Translation mine.

circuits of capitalist production and exchange.²³ Thus, the issue still jamming a complete social transformation of Argentine society, even with the promising early successes of the ERT movement, rests, with the continued presence of the commodity form and competitive capitalist markets. As McNally explains it, “the key issue” blocking a true socialist transformation lies in the stubborn continuation of a system that still supports the commodity form and the buying and selling of labour-power under the abstractions of socially necessary labour times. The continuation of this economic system virtually guarantees that even workers’ cooperatives will always tend towards “the compulsion to competitive accumulation which entails the domination of living labour by dead labour – something which can occur even within a worker-managed firm producing for exchange.”²⁴

But, while it is true that Argentina is nowhere close to transforming into a directly democratic, socialist, or workers’ society, the ERT movement is nevertheless showing ways that such a transformation could take place, one workplace at a time. And perhaps the ERT movement is paving the way for how this transformation can gradually emerge in ways that do not rely on a vanguardist-led party or revolution but that, rather, rests with small, gradual transformations of each workspace into autonomously run workers’ collectives engrained tightly within the neighbourhoods they find themselves in.

One crucial way that the ERT movement is showing how a more communally sensitive and parallel form of economic practice can begin to entrench itself, even within a capitalist system, is in the tendency for ERTs to engage in production practices that aspire to minimize capitalist forms of surplus value and wealth accumulation, even as they face the challenges imposed by the capitalist marketplace. For example, while not always possible, many ERT cooperatives try to first distribute the major part of their revenues equally 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 for most ERT cooperatives is to redirect any remaining revenues into the needs of production and the maintenance of the firm *after* individual workers’ remuneration and other needs are met. In addition, it is the workers’ assembly that decides how remuneration is to be distributed, not a boss or the market price of wages. Thus, since ERTs tend to, on the whole, privilege workers’ necessities over the logics of capitalist accumulation and the profit motive, their practices of remuneration and revenue allocation can be seen as experiments in forms of organizing work that move beyond some of the exploitative practices intrinsic to wage-labour practices. These tendencies are, however, in light of Fajn and Rebon’s and McNally’s analysis, only promising first steps. The movement is still too small in numbers, too ensconced within a greater capitalist market system, and

²³ Writes Harry Braverman: “Marx’s entire discussion of the capitalist mode of production in the first volume of *Capital* is permeated by a...revolutionary conception, which is the return of the process of production itself to the control of the workers in the fullest and most direct way” (Braverman, *Labor and Monopoly Capital*, p. 446; see also: Feenberg, *Transforming Technology*, p. 43). In a similar vein, Marx himself, appearing to foreshadow movements like Argentina’s ERT’s responses to socio-economic crisis, writes that “[c]entralisation of the means of production and socialisation of labour at last reach a point where they become incompatible with the capitalist integument. Thus integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated” (Marx, *Capital, Vol. I*, p. 763).

²⁴ McNally, *Against the Market*, p. 181.

too small in economic output to threaten Argentina's greater capitalist system. Indeed, as MNER and other ERT pundits speculate, the ERT movement has been permitted to exist to date by the Argentine state only because the ERT movement does not threaten Argentina's greater capitalist-state system. It will be interesting to see how the state reacts to the movement should its plans for less competitive, communally-based forms of economic exchange and production continue to grow and be taken up by other sectors of Argentina's social economy.

Union apathy. Difficulties due to the paucity of production funds and the tensions of self-management within a greater socio-economic system that remains ensconced in capitalist values are further burdened by the lack of traditional unions' support of ERTs, especially needed to lobby on behalf of ERT workers' before Argentina's governments and courts. Unions could have also helped in provisioning for the material needs of ERT protagonists. Furthermore, unions, in collaboration with the ERT movement, could have acted as a formidable political force in the struggle for the broader project of, as McNally puts it, the "democratic, planned control of the economy" grounded in "reuniting the 'collective' worker – the whole working class – with society's means of production."²⁵ In light of the firm entrenchment of unions within Argentina's political establishment, such shortsightedness is hardly surprising. With the exception of a few supportive union locals such as the Quilmes branch of the Union of Metallurgical Workers (UOM), Argentine labour unions have been, on the whole, only tentatively supportive, indifferent, or outright hostile to the ERT movement, choosing instead to side with ERTs that have returned the firm to proprietors or to completely ignore the movement.²⁶

This union apathy, or outright disdain, towards recent worker self-management initiatives has disappointed many in the ERT movement.²⁷ Faced with the possibility of taking a leadership role in a new chapter of the workers' control movement, the country's traditional unions have squandered the chance of making a real difference in the lives of thousands of Argentine workers. Paralleling the position taken by the country's financial and governmental institutions, one reason for the inertia of most of Argentina's unions regarding ERTs is linked to the fact that the country's national unions, including the influential CGT (the General Confederation of Labor) and even key factions of the more radical CTA (the Argentine Workers Central), consider ERTs productive entities run by "self-employed entrepreneurs." There is also widespread bafflement amongst traditional union leaders as to how to deal with workers that do not report to bosses.

Responding to this abandonment of the ERT movement by traditional unions, there is now a fledgling proposal in Argentina to start a union specifically for recovered enterprises, microenterprises, and cooperatives called the *Asociación Nacional de Trabajadores Autogestionados*, or ANTA (the National Association of Self-Managed Workers).²⁸ Based out of the CTA and founded by sympathetic union activists that have connections to the ERT movement, ANTA was recently founded in the last few months of 2005. It will be interesting to see how ANTA will work with, or perhaps compete with,

²⁵ Ibid, p. 181.

²⁶ See: Laura Vales, "Un sindicato propio para los 'recuperados,'" *Pagina/12* (18 Dec. 2005), 20 Dec. 2005 <<http://www.pagina12.com.ar/imprimir/diario/elpais/1-60656-2005-12-18.html>>).

²⁷ Murúa, a [Toronto School of Creativity & Inquiry](#) interview.

²⁸ Vales, "Un sindicato propio para los 'recuperados'."

organizations such as MNER and MNFRT (National Movement of Recovered Factories, see footnote 36).

Production challenges. When one considers ERTs' long periods of struggle for self-management, their political and structural barriers to loans or subsidies, the technical and productive limitations they face, and the lack of union and governmental support for the movement, it is not surprising that most ERTs currently only produce at between 30-60% of their original output capacity when compared to their production runs under owner management. Indeed, as of the summer of 2005, only 12% of all ERTs that had been operating for over 3 years under worker management were producing at more than 60% capacity.²⁹

Certain ERT sectors that depend on smaller machines operated by one or two operators, such as those in the metallurgic, printing, textiles, food processing, plastics, and the service sectors, tend to be producing 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 production processes. Because the latter, more capital-intensive sectors require higher levels of automation using more sophisticated machinery and more complex 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 re-investments 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.

As a result of these operational challenges, and illustrative of the adaptability and innovative capacities of the ERT movement's self-managed workers, most ERT cooperatives have had to resort to the individual and collective ingenuity and determination of its workers for ensuring the ongoing operation of the firm. For example, the tendency is for worker-operators themselves to repair their own machines and to mediate structural barriers to production by engaging in, as I have already mentioned, just-in-time or day-to-day production practices, or requesting that customers pay for raw materials when placing orders. ERT workers have also had to learn and share accounting and marketing skills and tasks. The flip side of these challenges is that many ERT workers are constantly developing new skills and capacities that remained untapped under owner control, showing not only alternative ways that labourers can re-skill and self-actualize themselves, but also pointing to ways of improving Argentina's national productivity and perhaps even showing the way towards cooperatively reconstituting labour processes in general.

Another response to these structural difficulties is the inter-ERT networks of solidarity and mutual assistance that are beginning to form. These alternative, social economic models include the practices of inter-ERT support during workspace occupations and legal battles and, at times, the sharing of customers, orders, prime materials, technological know-how, administrative duties, legal assistance, and even machinery and labour processes between ERTs. While these social economic networks remain underdeveloped, fostering these networks could be particularly valuable for assisting newer ERTs that are just starting to produce under self-management and for

²⁹ Ruggeri, Martinez, and Trincherro, *Las empresas recuperadas en la Argentina*, pp. 65-76.

assisting the operational needs of those firms belonging to more precarious economic sectors.³⁰ (I address these solidarity networks – or non-institutionalized “social economies” as they are called in Latin America – in more detail in the next section.)

One more related point deserves mentioning here: The ongoing structural, financial, and operational difficulties faced by most ERTs also suggest why firms from within the ERT movement in Argentina participate almost exclusively within national markets. Under such chronically volatile conditions, accessing international markets proves to be extremely difficult. Hence, few Argentine ERTs that I am aware of as of May 2006 export to foreign markets.³¹

Some of these challenges might be able to be overcome in the near future, however, thanks to Venezuelan president Hugo Chavez’s interest in Argentina’s ERT movement and his leadership role in proposing to link ERTs across Latin America via an intercontinental alternative economy of worker-recovered workspaces and microenterprises rooted in the concept of *autogestión*.

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³⁰ Marcelo Vieta, personal conversations with Eduardo Murúa (May-June, 2006).

³¹ One exception is the Yaguané meat packing plant which does enjoy a healthy export market (Marcelo Vieta, personal conversations with Eduardo Murúa (2006)).