

Part 3

Argentina's ERTs, the greater Latin American ERT movement, and the "social economy"

Eduardo Murúa, president of MNER, has recently been spearheading a working relationship with Venezuela's President Hugo Chavez, as Murúa confirmed to me in a conversation I had with him in mid-August of 2005.¹ Mainly through the efforts of Murúa, in August 2005 MNER managed to strike a favourable loans deal with Chavez by piggy-backing on a greater regional economic accord negotiated between the Venezuelan and Argentine governments to more closely integrate the two economies. This greater accord between Argentina and Venezuela is part of Chavez's alternative to the US-backed Free Trade Zone of the Americas (FTAA). Chavez has dubbed this alternative regional social economic initiative the Bolivarian Alternative for the Americas and the Caribbean (*La Alternativa Bolivariana para América Latina y el Caribe*, or ALBA). A proposal that could have benefits for all of Argentina's ERTs, the greater economic agreement between the two countries would see the Chavez government use debt bond purchases valued at \$500 million US to invest into Argentina's fledgling national oil sector.² From this fund, \$5 million US in low-interest credits would be funneled to the growing alternative economy being forged by Argentina's ERTs and other microenterprises. Monies would flow directly to the ERTs via the Banco de la Nación Argentina (the state-controlled National Bank of Argentina) through an as yet-to-be-worked-out distribution mechanism. Chavez has also struck similar deals with ERTs in Brazil and Uruguay.³ At the time, the hope expressed to me by some of Argentina's ERT protagonists was that this infusion of cash, while modest, would begin to help the country's ERTs replace old machinery, grow new markets, and ultimately kick-start undeveloped export markets by initially producing various products that are needed in Venezuela's increasingly nationalized economy.⁴ (As a side note, and indicative of the tensions between the Kirchner regime and the ERT movement, it is important to point out that the ERT movement has yet to see any funds from this deal.⁵)

The promise of this initial infusion of cash into the ERT movement was bettered by Chavez's second commitment announced in late October 2005 at the First Latin American Encounter of Recovered Enterprises in Caracas, Venezuela. At this historic meeting of 400 worker protagonists from 235 recovered enterprises from across Latin America, Chavez proposed to make available in 2006 a fund worth \$50 million US for Latin America's ERTs, to be divvied up as low interest loans.⁶ The fund would specifically be destined to assist the region's ERTs in their efforts to expand production, forge new inter-regional alliances, enter new markets, and provision much-needed investment capital. Chavez views this fund as a critical first step for facilitating the productive efforts of ERTs in Argentina, Venezuela, Bolivia, Uruguay, Paraguay, Brazil,

¹ Murúa, a [Toronto School of Creativity & Inquiry](#) interview.

² Stella Calloni, "Compró Venezuela 500 millones de dólares en bonos de deuda argentina," *La Jornada* (12 Aug. 2005), 13 Aug. 2005 <<http://www.jornada.unam.mx/2005/ago05/050812/025n1eco.php>>.

³ Vieta, personal conversations with Eduardo Murúa.

⁴ From my informal discussions with various ERT protagonists and MNER leaders, Aug. 2005.

⁵ Vieta, personal conversations with Eduardo Murúa.

⁶ Castillo, "Encuentro latinoamericano de empresas recuperadas."

and Mexico, the seven Latin American countries with ERTs as of Jan. 2006, and for stimulating new ERT initiatives in other Latin American countries. Chavez also views the fund as a crucial first step for spearheading what in the region is beginning to be called a greater Latin American “social economy.”^{7 8}

Moreover, the regional social economy envisioned by the participants of the Caracas meetings would take on a more global challenge under the auspices of ALBA: The Latin America-wide social economy would be an alternative to the “imperialist” designs of the FTAA and its multinational interest groups. Crucially, it is to be grounded in grassroots, socialist, and democratic economic initiatives led by workers’ self-management.⁹ Indeed, as Chavez outlined in his inaugural speech at the Oct. 2005 Caracas conference, he views the experience of the region’s ERT workers as the “soul” of contemporary Latin America, underscoring how the experiences and values of the region’s ERT protagonists symbolize the antithesis of what the FTAA represents.¹⁰ In fact, the concept of a regional cooperative solidarity movement of ERTs within an alternative social economic framework has been subversively labelled, in an appropriation of neoliberal terminology, a “multinational without a boss.”¹¹ At the Caracas meetings, Chavez proposed to call this alternative economy of solidarity “Empresur,”¹² envisioning it as an intercontinental economic network that would engage in not only traditional forms of trade between the regions’ ERTs, but also see ERTs

⁷ Héctor Palomino, “Argentina: Argentina hoy – Los movimientos sociales,” *Heramienta*, No. 27 (28 Oct. 2004), 14 Feb. 2006

<<http://www.herramienta.com.ar/modules.php?op=modload&name=News&file=article&sid=282>>.

⁸ Of course, the proposal for a regional “social economy” is not without its contradictions, especially when the proposal emanates from the state. Proposals for social or solidarity economies that are spearheaded by NGOs or states tend to over-rely on subsidies that usually serve to ultimately co-opt and contain grassroots entities from experimenting with more autonomous practices of self-management. Such proposals also paradoxically risk reproducing and legitimizing the very system that led to an entity’s socio-economic hardship and submission to the whims of the capitalist system in the first place. As Martinez, Pizzi, Ruggeri, Trincherro, and Valverde point out: “A social economy, in addition to being spearheaded by international financial organisms as a way of alleviating the inevitable effects of neoliberal reforms, is often spearheaded by NGOs and sometimes by the state itself as a wall of containment against further social breakdown; this was finally realized in the case of Argentina. At the same time, [social economic strategies] end up entrenching the most neglected sectors of society within a condition of overdependence on the state or NGO subsidies and donations that, in the long-run, [tend to co-opt] these vulnerable sectors and impede their struggle for a stable [self-managed] structure of productiveness.” In the case of Argentina, the pursuit of a solidarity economy amongst ERTs is, to date, informal. On the whole, ERTs in Argentina choose to engage in non-hierarchical forms of economic solidarity formations with each other while accepting some state and NGO assistance if they can get it. That is, most ERTs have sought some degree of state and NGO subsidies as they accept, on pragmatic grounds, the reality of needing to work for the near future with the state and within traditional capitalist marketplaces (Carlos Martinez, Alejandro Pizzi, Andrés Ruggeri, Hugo Trincherro, and Sebastián Valverde, “Las empresas recuperadas: Una experiencia de la clase trabajadora argentina” (forthcoming), p. 2).

⁹ “¿Qué es la Alternativa Bolivariana para América Latina y El Caribe?” *PortalALBA* (2005), 22 Dec. 2005 <<http://www.alternativabolivariana.org/modules.php?name=Content&pa=showpage&pid=1>>.

¹⁰ Lavaca, “Lavaca en Venezuela: Una multinacional sin partón: Concluyó en Venezuela el 1º Encuentro Latinoamericano de Empresas” *Lavaca.org* (2005), 20 Dec. 2005 <<http://www.lavaca.org/seccion/actualidad/1/1195.shtml>>.

¹¹ *Ibid.*

¹² “Instalado 1er encuentro latinoamericano de empresas recuperadas,” *Movimiento 13 de Abril* (2005), 19 Dec. 2005 <<http://movimiento13deabril.blogcindario.com/2005/10/00066-instalado-1er-encuentro-latinoamericano-de-empresas-recuperadas.html>>.

interact with each other outside of the neoclassical marketplace. Such solidarity-based interactions would include the sharing of technical know-how, the creation of funds for “fair loans and investments,” and the provisioning of raw materials rooted in bartering, all working within a transnational network of cooperation that would also offer political support for the legal hurdles faced by ERTs and other self-managed entities across the region.¹³

Besides completing 75 contracts and promissory agreements between the region’s ERTs, the conference participants also managed to cobble together what has come to be called the Caracas Accord (*Compromiso de Caracas*).¹⁴ The accord details the vision for a multinational, worker-led initiative such as Empresur. It also takes a strong stand against US-led, neoliberal economic designs in Latin America. Additionally, it urges the region’s governments to set aside capital investment funds for ERTs and demands that state governments draft national laws and engage in constitutional reforms that better support worker recovered enterprises and other forms of microenterprises.

One recently launched initiative that could be foreshadowing how this alternative social economy of solidarity might begin to be implemented (and implemented sooner rather than later) is the ERT-specific e-commerce website The Working World.¹⁵ The Working World’s initiative is an excellent example of how the strategies of online product provisioning and e-commerce might be appropriated by the movement. Indeed, The Working World is an actual example of how the movement could tap into the decentralized and globally-available capabilities offered by internet communication technologies in order to meet the grassroots needs of ERTs and their protagonists in each respective country. This type of initiative could also help provision much needed funds for fledgling workers’ self-management initiatives, offer invaluable support in the pursuit of larger markets, and assist in building relays of affinity with the growing social justice movements around the world. Strategically, the initiative is purposefully tapping into a worldwide market increasingly interested in products made from firms that engage in less exploitative and more environmentally and worker friendly labour practices. It also serves as a site for information dissemination as a customer-focused information portal, provides marketing and website development services to ERTs, and is also a webspace that has the capabilities of collecting donations for a “fund that provides productive capital directly to workers through fair loans and investments.”¹⁶ Launched in Dec. 2005 and spearheaded by a collective of North and South American radical journalists and activists such as Avi Lewis, Esteban Magnani, and others, the e-commerce site currently only provisions products produced by a few of Argentina’s ERTs. However, the initiative has hopes of extending its non-profit, online initiative to similar movements around the world in order to help build an “international solidarity economy, where economic justice and self-determination replace exploitation and inequality.”¹⁷

¹³ Jorge Martín, “Primer Encuentro Latinoamericano de Empresas Recuperadas por los Trabajadores,” *elmilitante.org* (6 Nov. 2006), 22 Dec. 2005

<<http://barcelona.indymedia.org/newswire/display/213621/index.php>>.

¹⁴ “Compromiso de Caracas,” *lavaca.org* (2 Nov. 2005), 23 Dec. 2005

<<http://www.lavaca.org/seccion/actualidad/1/1196.shtml>>.

¹⁵ “About the Working World,” *The Working World* (2005), 3 Jan. 2006

<<http://www.theworkingworld.org/>>.

¹⁶ *Ibid.*

¹⁷ *Ibid.*

Argentina's pioneering role in the Latin American ERT movement. Argentina's most recent experiments with worker self-management have played a crucial role in both inspiring other ERTs in other countries in the region and in the recent push for an intercontinental social economy articulated at the Oct. 2005 Caracas meetings. Because of the legitimacy of the Argentine movement, gained through its long struggles for worker self-management, it is not surprising that MNER's Murúa was one of the key players in organizing the first meeting of Latin American ERTs in Caracas. And because Argentina also has the most ERTs by far of any country in Latin America, it perhaps is also no surprise that the 300 Argentine worker delegates that attended the Caracas meetings represented the gathering's largest contingent of workers. Consequently, the Argentine delegation managed to secure the largest number of work contracts and memoranda of understanding of any of the national delegations in Caracas, despite the lack of participation by Argentina's national government.¹⁸ These agreements could serve to not only enhance the likelihood of short-term economic stabilization for the Argentine ERT movement but could also facilitate the realization of Chavez's longer term vision for ALBA and Empresur. Finally, it is illustrative to note that Chavez views the Argentine recovered enterprises movement as a model for his own vision for nationalizing major sectors of Venezuela's economy, which includes the immediate expropriation 136 bankrupted Venezuelan firms in 2006, as well as the potential expropriation of up to 564 other bankrupted or near-bankrupted firms, all under the rubric of worker controlled cooperatives.¹⁹ Murúa succinctly summed up the role of the Argentine delegation of ERT workers at the Caracas meetings thusly:

From Argentina, we brought all of our experiences [to Caracas]. We have [in Argentina] 182 recovered enterprises²⁰ and we arrived [at the meeting] with more than 300 workers. We are perhaps the initiators of this path dating back to 1998, and our delegates were consulted the most by the *compañeros* from the rest of the continent at the meeting.²¹

In another interview, and in keeping with MNER's autonomist tendencies, Murúa qualified these remarks by underscoring how the pioneering position of Argentina's ERT movement does not privilege it in any way, nor did the 300 Argentine delegates go to Venezuela to "indoctrinate" other ERTs from the region, he further asserts. In the spirit of solidarity and camaraderie that seems to be shared by many ERT protagonists in the movement, Murúa articulated that the Argentine delegation was there, rather, to inspire, be inspired by, and begin to help lobby for other *compañeros* from other ERTs from across the region in their quest to create legal precedence for and secure the viability of

¹⁸ Of the 75 accords that were signed at the First Encounter of Recovered Enterprises in Caracas Venezuela in October 2005, 59 Argentine ERTs signed 39 accords. Venezuelan ERTs signed 26 accords, and the other 10 accords were signed by ERTs from the other countries ("Suscriben 75 acuerdos en Encuentro de Empresas Recuperadas," *El Diario de Guayana* (29 Oct. 2005), 23 Dec. 2005 <<http://www.eldiariodeguayana.com.ve/concluyoprimerencuentrodeempresasrecuperadas.html>>).

¹⁹ "Chavez Says Venezuela Will Expropriate Closed Enterprises," *Venezuelanalysis.com* (18 Jul. 2005), 23 Dec. 2005 <<http://www.venezuelanalysis.com/news.php?newsno=1692>>.

²⁰ Note that the exact number of ERTs in Argentina is not precisely known, hence the discrepancy between Murúa's figure and the previous figure I quoted from Rugerri, Martinez, and Trincherro in Part 2.

²¹ Leonardo Castillo, "Se realizó el Primer Encuentro Latinoamericano de Empresas Recuperadas," *Aunoagencia.com* (18 Nov. 2005), 23 Dec. 2005 <<http://www.aunoagencia.com.ar/article.php?story=200511180700538611&mode=print>>.

worker-led expropriations of bankrupted firms.²² Murúa expressed similar sentiments to me in informal conversations I had with him in the summer of 2005 where he anticipated some of the possibilities that the Caracas meetings could open up for the regions' current and future ERT movements.

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²² Castillo, "Encuentro Latinoamericano de Empresas Recuperadas," par. 6. Translation mine.